TAHOE REGIONAL PLANNING AGENCY

Mail
PO Box 5310
Stateline, NV 89449-5310

Location
128 Market Street
Stateline, NV 89449

Contact
Phone: 775-588-4547
Fax: 775-588-4527
www.trpa.gov

February 28, 2025

The Honorable Joe Lombardo
Office of the Governor
101 North Carson Street
Carson City, NV 89701

Ms. Diane Thornton
Interim Director, Nevada Legislative Counsel Bureau
401 South Carson Street
Carson City, NV 89701

Dear Governor Lombardo and Ms. Thornton:

The Tahoe Regional Planning Agency respectfully submits the following report per the statutory requirements of Section 1 of NRS 277.220 (AB 480, 2013 Legislative Session). The specific requirements are as follows:

On or before February 28 of each year, the Tahoe Regional Planning Agency shall submit to the Governor and the Director of the Legislative Counsel Bureau:

1. A copy of the report of the independent audit most recently prepared for the Tahoe Regional Planning Agency; and
2. A written report detailing:
   a. The nature and purpose of the expenditures made by the Tahoe Regional Planning Agency during the immediately preceding calendar year from money appropriated to it by the Legislature; and
   b. Progress of the Tahoe Regional Planning Agency in achieving the performance measures and benchmarks included in its current biennial budget.

Background

Established by a federally sanctioned interstate compact between Nevada and California, the Tahoe Regional Planning Agency (TRPA) is designated as the region's land use, transportation, and environmental planning agency. TRPA is responsible for providing leadership in the development and administration of policy, plans, and programs in the cooperative effort to preserve, restore, and enhance Lake Tahoe's unique natural and human environments. In accordance with the Tahoe Regional Planning Compact (Bi-State Compact), all state funding requests by TRPA are made based on a one-third, two-third proportionate share between the states of Nevada and California respectively. These funds are augmented by a variety of additional funding sources including local jurisdiction contributions, federal and state grants, and fees for service. TRPA's total revenues for fiscal year 2024 were $23.9 million of which the state of Nevada contributed approximately $3.1 million, $0.4 million from DMV funds for air quality programs and the remainder from the general fund.

Applicable Statutes, Laws, and Functions of the Agency

The Agency is authorized under Nevada law (NRS 277.190 through 277.200), California law (California Government Code sections 66800 through 66801), and federal law (PL 96-551). The purpose of the Bi-State Compact, which was adopted in 1969 and amended in 1980 and 2016, is to provide for the enhancement of governmental efficiency and effectiveness, the establishment of environmental threshold standards for the region, the adoption and enforcement of a Regional Plan to attain the

threshold standards, orderly growth and development consistent with the standards, and resource protection programs needed to achieve and maintain standards.

Annual Progress Update
This year marked the 55th anniversary of the Bi-State Compact between Nevada and California, the foundation of regional collaboration to protect Lake Tahoe and support its communities.
The Compact was a turning point in Lake Tahoe's history, creating a unified Regional Plan and setting us on a path toward a sustainable future.

In 2024, TRPA announced that more than 1,100 acres of streams, meadows, and wetlands have been restored or rehabilitated in the basin, surpassing a restoration target set more than 40 years ago. The Tahoe Team housed under the Nevada Division of State Lands pioneered early wetlands restoration projects in Incline Village, significantly contributing to this major milestone. Complementing this achievement, the California Tahoe Conservancy acquired 31 sensitive acres along the Upper Truckee River—possibly the most significant environmental acquisition in a generation. This accomplishment advances lake clarity, biodiversity, forest health, and restoration goals.

As the lead agency for the Lake Tahoe Environmental Improvement Program (EIP), TRPA coordinates more than 80 public, tribal, and private partners tackling transportation, forest health, and water quality challenges. Together, we are addressing critical threats like aquatic invasive species, extreme weather, rising temperatures, and wildfire risk.

This important work received considerable support from federal partners in 2024. Through the leadership of Lake Tahoe's delegation, Congress reauthorized the Lake Tahoe Restoration Act, which extended access to $300 million in federal funding to match local, state, and private investments in priority EIP projects. TRPA also helped secure millions in federal transportation funding, including a $1.7 million grant to enhance emergency preparedness.

Team Tahoe, the colloquial title for the Tahoe partnership, built on lessons learned from the 2021 Caldor Fire, advancing regional evacuation planning, improving water supply and communication infrastructure, and prioritizing fuel reduction along evacuation routes and power lines.

Agency Strategic Initiatives
Set by the Governing Board, TRPA's strategic priorities reflect the agency's commitment to protect Lake Tahoe's environment while improving regional transportation, increasing diverse housing options, and facilitating community revitalization.

Tahoe Living
The Tahoe Living strategic priority integrates environmental redevelopment and water quality improvements to address Lake Tahoe's affordable housing crisis. Accomplishments in 2024 include:

- Engaged 100+ community members through bilingual workshops and surveys as part of the Cultivating Community, Conserving the Basin project.
- Approved mixed-use and climate code amendments, including energy efficiency, dark sky, and affordable housing requirements.
- Permitted 18 accessory dwelling units (ADUs), bringing the total to 57 since policy updates in 2020 to drive more affordable housing options.
- Progress in affordable workforce housing continues. In 2024, we celebrated the opening of Sugar Pine Village's first phase, a 248-unit deed-restricted affordable housing project in South Lake Tahoe—a testament to collaboration and innovative policy.

Keeping Tahoe Moving

Transportation and destination stewardship improvements are critical to protecting Lake Tahoe's environment and quality of life. In 2024, TRPA and its partners made significant strides in building a safer, more sustainable transportation network while securing major funding for future projects. Accomplishments in 2024 include:

- Secured $70 million for transportation improvements, including $33.6 million in new funding provided by federal, state, local, and private partners.
- Endorsed the Vision Zero Safety Strategy and Active Transportation Plan, which aim to eliminate roadway fatalities and make it safer for people to get around without a private vehicle.
- Received a $24 million federal RAISE Grant for implementation of the next phase of the State Route 28 Corridor Plan along Tahoe's East Shore.

Restoration and Resilience

The goal of the Restoration and Resilience strategic priority is to increase the pace and scale of Lake Tahoe Environmental Improvement Program (EIP) implementation. Since its inception, the EIP has implemented more than 800 projects, improving forest health, water quality, and sustainable recreation, and is now considered one of the most comprehensive and successful conservation programs in the nation. Accomplishments in 2024 include:

- Supported EIP partners in completing 24 restoration projects, advancing forest health, water quality, and recreation goals.
- Fire officials in Incline Village previewed BurnBot, a new remote mastication technology that enables crews to remove trees, bushes, and other forest debris 10 times faster than traditional methods. The remote mastication team treated more than 22 acres in three days, which would normally take over two weeks with hand crews.
- Contributed funding to the Washoe Tribe of Nevada and California to hire a Tahoe Tribal Liaison, providing more Tribal capacity for engagement with Tahoe agencies.
- Disbursed $4.5 million in mitigation funds sourced from fees paid by development projects to support restoration efforts.

In addition to the Agency's strategic initiatives, the Permitting and Compliance Department supports environmentally beneficial redevelopment and private sector investments by reviewing, permitting, and inspecting projects in a timely and consistent manner. In 2024, the Permitting and Compliance Department accomplished the following:

- Processed 1,200+ applications, meeting 30/120-day review standards.
- Reviewed large projects like the Cal-Neva revitalization, Boatworks Mall, Homewood Ski Resort Master Plan amendments, and the Barton community hospital proposal to ensure they deliver environmental benefits and advance Regional Plan goals while supporting communities.
- Processed more than 1,200 tree removal applications.
- Processed 69 code enforcement cases, 56 construction extensions, and 483 property inspections.
- Completed 110 pre-application consultations, 1,312 front lobby visits, 4,862 calls, and 166 appointments as part of the permitting improvement project.
- Permitted the removal of 520 feet of sewer main impacted by storms and issued 12 emergency permits for shoreline repairs to prevent the discharge of sewage to the lake.

The continued implementation of the Regional Plan will be essential to Lake Tahoe communities to address the myriad challenges ahead. TRPA appreciates the opportunity to submit this report. Please don't hesitate to contact me with questions about the report's details.

Sincerely,



Julie W. Regan
Executive Director
Tahoe Regional Planning Agency

cc – Tiffany Greenameyer, Director, Governor's Office of Finance
Rosa Rogula, Executive Branch Budget Officer, Governor's Office of Finance
Budd Milazzo, Executive Branch Budget Officer, Governor's Office of Finance
James A. Settelmeyer, Department of Conservation and Natural Resources
Erin Sturdivant, Senior Principal Deputy Legislative Counsel, Legislative Counsel Bureau
Sarah Coffman, Assembly Fiscal Analyst, Legislative Counsel Bureau
Wayne Thorley, Senate Fiscal Analyst, Legislative Counsel Bureau
Brody Leiser, Chief Principal Deputy Fiscal Analyst, Legislative Counsel Bureau
Cathy Crocket, Chief Principal Deputy Fiscal Analyst, Legislative Counsel Bureau
Julie Waller, Principal Deputy Fiscal Analyst, Legislative Counsel Bureau
Adam Drost, Principal Program Analyst, Legislative Counsel Bureau
Justin Luna, Program Analyst, Legislative Counsel Bureau
Hayley Williamson, TRPA Governing Board Chair
Vince Hoenigman, TRPA Governing Board Vice-Chair

2024 Financial Summary

This financial summary includes the key highlights of TRPA's fiscal year 2023/24 (FY 2024) financial performance. A more detailed analysis of our results from operations and program spending can be found in the Management Discussion and Analysis section starting on page 4 of our audited financial reports. These can be found at: https://www.trpa.gov/how-we-operate/finances-and-budget/.

Agency Revenues

TRPA revenues for FY 2024 totaled $23.9 million, excluding mitigation funds held in trust for other jurisdictions. The State of California's appropriation was $5.0 million, and the State of Nevada's appropriation was $3.1 million, $0.4 million from DMV funds for air quality programs and the remainder from the general fund. State and local annual commitments represent 35 percent of total revenues. In addition to these annual appropriations, various departments, and agencies of the two states and local organizations contribute to specific projects through grant funding.

Directly funded grant programs totaled 42 percent of revenues, amounting to over $10 million from various sources. Major federal contributors include the Department of the Interior, Department of Transportation, Department of Agriculture (US Forest Service), and Environmental Protection Agency. State entities include California Department of Transportation, Nevada Department of Transportation, California Water Quality 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.

In the area of general project review, fees for services totaled $4.7 million or 20 percent of the agency's revenues. This includes Planning Fees and reimbursed costs from applicants as well as Watercraft Inspection Fees supporting the AIS program and Shoreline fees. It also includes rent revenue from tenants in the TRPA office building.

Under the Governmental Accounting Standards Board Statement No. 84 (GASB 84), TRPA is now required to show mitigation funds collected as revenues and disbursements as expenditures for government-wide financial statements. Mitigation funds are assessed on projects when permitted and held for other local jurisdictions to use for environmentally beneficial projects that offset development construction impacts. Mitigation fund dollars are held in trust and are not available to TRPA for its own use and are listed separately in this report. For FY 2024, TRPA collected $2.9 million in mitigation fees and disbursed $5.1 million for mitigation projects.

Agency Expenditures

Total expenditures for FY 2024 were $23.4 million. Staff costs accounted for $8.9 million or 38 percent of the total. Contracts comprised $13.1 million or 56 percent of the total. Financing costs related to interest and principal payments on the bonds for the TRPA office building amounted to $0.5 million or 2 percent of total expenditures. Other costs comprise the $0.9 million balance.

TRPA works closely with other governmental entities in the basin to fund and execute various environmental initiatives. During FY 2024, TRPA passed through:

- $2.3 million in funding to the Tahoe Transportation District.
- $1.3 million to Placer County for implementation of transportation projects and operation of transit systems throughout the basin.
- $1.7 million to the Tahoe Resource Conservation District, a unit of El Dorado County, California for roadside inspections of watercraft as part of the Aquatic Invasive Species program.
- $5.0 million in mitigation funds were passed on to local jurisdictions to fund projects designed to offset the environmental impact of development including $3.7 million for the Motel 6 restoration project.

Tahoe Regional Planning Agency
Sources and Uses of Funds Provided ($K)
Fiscal Year 2023 - 24

	CA	NV	Grants	Fees	Other	Total
TRPA GF Indirect Functions	1,435	761		398	960	3,555
TRPA GF Direct Programs						
Current Planning	1,225	584	4	3,389	33	5,235
Env Improvement	515	273				788
Long Range Planning	137	73				210
Research & Analysis	825	438				1,263
Air Quality	249	551				800
Other			65			65
Tahoe Science Council	92		618			710
Special Funds						
Aquatic Invasive Species	375	375	4,230	897		5,877
Environmental Improvement	129		883			1,012
Transportation			4,916	18	16	4,949
TRPA Operations	4,982	3,055	10,716	4,701	1,009	24,463
Mitigation Funds (held for other entities)						2,893

All numbers based on fund accounting. There is a $0.5 million adjustment between fund accounting and the audited financial statements

Nevada's General Fund contributions to the Agency are applied to the following:

1. The Environmental Improvement Division is funded through both TRPA General Fund and grants. The department's activities cover the multi-state/multi-sector Environmental Improvement Program (EIP) which encompasses varied programs of investment in environmental restoration and protection needed to achieve and maintain the Compact's standards (thresholds) and mission. This investment covers coordinated accountability reporting on EIP accomplishments for Nevada, California, and federal legislative delegations and administration sponsors.
    a. The Aquatic Invasive Species program operates under the EIP and includes prevention and treatment of aquatic invasive species. The program augments water quality programs, particularly in the lake's nearshore, and protects the lake's fishery and recreation resources. Nevada General Funds of $375,000 were also applied directly to the watercraft inspection program. California's Harbors & Watercraft fund provided $375,000 in funding for the watercraft inspection program.
    b. Stormwater Management, also part of the Environmental Improvement Division, works with property owners in the Tahoe Basin to implement Best Management Practices (BMPs) to reduce and treat stormwater runoff into Lake Tahoe to reduce sediments and pollution.

2. The Permitting and Compliance Department:
    a. The Division received $124,000 in California Harbors & Watercraft Revolving Fund revenues to support enforcing boating regulations on Lake Tahoe.

3. The Long Range & Transportation Planning Departments:
    a. The implementation of the Regional Plan including local government area plan development.
    b. Affordable housing initiatives under California's Regional Early Action Planning (REAP) program.
    c. Development of revised development incentives to encourage environmental redevelopment in the basin.
    d. The Transportation component of this division acts as the federal Metropolitan Planning Organization (MPO) and the California Regional Transportation Planning Agency (RTPA) for the Lake Tahoe Region. Activities include long-range planning and development of non-automotive transportation options. In 2024 the transportation team began developing an update to the Regional Transportation Plan which will be considered for adoption in 2025.
    e. Over half the Transportation funding is passed on to transit operators including the Tahoe Transportation District and Placer County.

4. The Research & Analysis Department:
    a. Activities include monitoring progress in achieving adopted environmental threshold standards, building out basin-wide information systems to track the EIP and other major projects, and the 2023 Threshold Evaluation. See www.laketahoeinfo.org for more information.

5. Air quality initiatives are partially funded by $419,021 of Nevada DMV contributions covering monitoring activities by the Research & Analysis Department and planning and implementation activities performed by the Long Range & Transportation Planning Departments.

6. TRPA operates as the fiscal agent for the Tahoe Science Advisory Council, which is designed to support decision makers with the best available science. It brings together experts from the University of Nevada, Reno, UC Davis's Tahoe Environmental Research Center, and the Desert Research Institute among other academic partners.

Supplemental Detail

The table on the next two pages details revenues and expenses by department and type. The raw numbers are based on fund accounting and differ from the government-wide financial statements. The differences relate to Government Accounting Standards and how it treats non-cash expenditures like depreciation and revenues not received promptly at year end.

TRPA Fiscal Year 2024 Detail Revenue and Expenses

From Springbrook - FUND accounting

	Revenue								Expenses							Net
	CA	**NV**	Grants	Fees	Local	Other	Mitigation	Total	Comp.	Contracts	Financing	Other	O/Transfers	Mitigation	Total	
General Fund Revenues																
CA ELPF	(4,262,992)							(4,262,992)								(4,262,992)
CA HWRF	(499,000)							(499,000)								(499,000)
NV General Fund		(2,260,550)						(2,260,550)								(2,260,550)
NV AQM		(419,021)						(419,021)								(419,021)
Other/Transfers/Adj.	499,000	419,021		(53,233)	(133,619)	(822,342)		(91,173)								(91,173)
Total GF Revenue	(4,262,992)	(2,260,550)		(53,233)	(133,619)	(822,342)		(7,532,736)								(7,532,736)
General Fund Indirect																
Gov Board										36,458		37,881			74,340	74,340
Executive Depart.									1,036,480			29,912			1,066,392	1,066,392
Communications						(4,439)		(4,439)	313,454	49,500		43,416			406,370	401,931
HR									280,470	65,855		50,744			397,068	397,068
Legal									455,873	35,301		11,423			502,597	502,597
Finance									594,240	47,131		6,503			647,874	647,874
General Services									104,621	3,542		215,490			323,654	323,654
Building				(345,020)				(345,020)		163,460	549,325	175,271			888,056	543,037
IT										278,419		350,453			628,872	628,872
Other												307	(2,149,461)		(2,149,154)	(2,149,154)
Indirect Expenses				(345,020)		(4,439)		(349,459)	2,785,137	679,666	549,325	921,401	(2,149,461)		2,786,069	2,436,610
General Fund Direct Programs																
Current Planning'	(124,000)		(3,600)	(3,388,515)		(33,261)		(3,549,376)	2,368,637	1,284,605	53,728	70,665	1,457,281		5,234,917	1,685,541
Env. Improv.									769,027	7,339		11,474			787,840	787,840
Long Range & Transp. Planning									162,538	(5,933)		53,591			210,196	210,196
Research & Analysis									956,546	272,822		33,294			1,262,662	1,262,662
Air Quality		(419,021)						(419,021)	352,538	447,178					799,716	380,695
Contributions			(65,239)					(65,239)			156	72,191	(6,608)		65,739	500
Other																
TSAC	(91,502)		(618,154)					(709,656)	11,113	728,518		480	(1,253)		738,857	29,201
Total GF Programs	(215,502)	(419,021)	(686,993)	(3,388,515)		(33,261)		(4,743,293)	4,620,399	2,734,529	53,884	241,695	1,449,420		9,099,928	4,356,635
Total General Fund	(4,478,494)	(2,679,571)	(686,993)	(3,786,768)	(133,619)	(860,042)		(12,625,488)	7,405,536	3,414,196	603,209	1,163,096	(700,042)		11,885,996	(739,492)

Special Funds	Revenue								Expenses							Net
	CA	**NV**	Grants	Fees	Local	Other	Mitigation	Total	Comp.	Contracts	Financing	Other	O/Transfers	Mitigation	Total	
AIS																
California	(375,000)							(375,000)		196,578		89			196,667	(178,333)
Nevada		(375,000)						(375,000)		113,512		35,733			149,245	(225,755)
Fees				(896,845)				(896,845)	88,343	616,527	12,915	119,715			837,500	(59,345)
USG/Other			(3,042,895)					(3,042,895)	191,893	2,865,922		148	121,123		3,179,085	136,190
CA			(778,302)					(778,302)	92,770	687,133		49,300	38,965		868,169	89,867
NV			(409,082)					(409,082)	93,937	387,892			9,184		491,012	81,930
AIS Total	(375,000)	(375,000)	(4,230,280)	(896,845)				(5,877,125)	466,943	4,867,564	12,915	204,985	169,271		5,721,679	(155,447)
Transportation																
CA			(380,403)	(17,500)				(397,903)	207,511	273,226		3,539	9,867		494,143	96,240
LTF/STA			(3,302,550)			(15,671)		(3,318,220)		3,279,831					3,279,831	(38,390)
NV																
Other																
USG			(1,232,936)					(1,232,936)	755,637	401,873		61,967	469,077		1,688,554	455,618
Transportation Total			(4,915,888)	(17,500)		(15,671)		(4,949,059)	963,148	3,954,929		65,506	478,944		5,462,528	513,469
EIP																
CA	(128,506)		(547,905)					(676,411)	4,360	612,579		7,599	2,615		627,153	(49,258)
NV			(57,302)					(57,302)	12,817	40,000			4,486		57,303	1
USG			(277,818)					(277,818)	38,896	213,572			24,551		277,019	(799)
EIP Total	(128,506)		(883,025)					(1,011,532)	56,073	866,151		7,599	31,652		961,475	(50,056)
Total Special Funds	**(503,506)**	**(375,000)**	**(10,029,193)**	**(914,345)**		**(15,671)**		**(11,837,716)**	**1,486,165**	**9,688,644**	**12,915**	**278,090**	**679,867**		**12,145,682**	**307,966**
Results from Operations	**(4,982,000)**	**(3,054,571)**	**(10,716,187)**	**(4,701,114)**	**(133,619)**	**(875,713)**		**(24,463,204)**	**8,891,701**	**13,102,840**	**616,125**	**1,441,186**	**(20,174)**		**24,031,678**	**(431,526)**
Mitigation Funds							(2,892,835)	(2,892,835)						5,116,120	5,116,120	2,223,285
Total TRPA	**(4,982,000)**	**(3,054,571)**	**(10,716,187)**	**(4,701,114)**	**(133,619)**	**(875,713)**	**(2,892,835)**	**(27,356,038)**	**8,891,701**	**13,102,840**	**616,125**	**1,441,186**	**(20,174)**	**5,116,120**	**29,147,798**	**1,791,759**

TAHOE REGIONAL PLANNING AGENCY

Annual Report



2024

55 YEARS
TAHOE REGIONAL PLANNING AGENCY



ACKNOWLEDGMENTS

TRPA Governing Board

Hayley Williamson, Chair
Nevada At-Large Member

Vince Hoenigman, Vice Chair
Governor of California, Appointee

Francisco Aguillar
Nevada Secretary of State

Shelly Aldean
Carson City Representative

Cody Bass
City of South Lake Tahoe Council Member

Ashley Conrad-Saydah
Governor of California Appointee

Belinda Faustinos
California Assembly Speaker Appointee

Cindy Gustafson
Placer County Supervisor

Meghan Hays
Presidential Appointee

Alexis Hill
Washoe County Commissioner

Ben Kieckhefer
Nevada Governor Appointee

Brooke Laine
El Dorado County Supervisor

Alexandra Leumer
California Senate Rules Committee Appointee

Wesley Rice
Douglas County Commissioner

James Settelmeyer
Nevada Department of Conservation and Natural Resources Representative

Advisory Planning Commission Members

Brendan Ferry, Chair
El Dorado County Representative

Ellery Stahler, Vice Chair
Nevada Division of State Lands Representative

Jennifer Carr
Nevada Division of Environmental Protection Representative

Zachary Thomas
City of South Lake Tahoe Representative

Jason Drew
El Dorado County Lay Member

Robert Erlich
City of South Lake Tahoe Lay Member

Crystal Jacobsen
Placer County Representative

James McNamara
Washoe County Lay Member

Kevin Hill
Carson City Lay Member

Ben Letton
Lahontan Regional Water Quality Control Board Representative

Heather Ferris
Carson City Representative

Kevin Drake
Placer County Lay Member

Garth Alling
Douglas County Lay Member

Chad Stephen
Tahoe Basin Fire Chief's Representative

Serrell Smokey
Washoe Tribe of Nevada and California Representative

Ashley Sibr
USDA Forest Service Representative

Steve Teshara
Tahoe Transportation District Representative

Kate Moroles-O'Neil
Douglas County Representative

Eric Young
Washoe County Representative





Dear Lake Tahoe Community, Governing Board and Advisory Planning Commission Members, and Partners:

On behalf of the Tahoe Regional Planning Agency (TRPA), I am honored to present our 2024 activities and accomplishments. This year marked the 55th anniversary of the Bi-State Compact between Nevada and California, the foundation of regional collaboration to protect Lake Tahoe and support its communities.

The Compact was a turning point in Lake Tahoe's history, creating a unified Regional Plan and setting us on a path toward a sustainable future. In this spirit, our 2024 Annual Report highlights achievements born of decades of perseverance by organizations and individuals pursuing what once seemed unattainable.

In 2024, TRPA announced that more than 1,100 acres of streams, meadows, and wetlands have been restored or rehabilitated in the basin, surpassing a restoration target set more than 40 years ago. Complementing this milestone, the California Tahoe Conservancy acquired 31 sensitive acres along the Upper Truckee River—possibly the most significant acquisition in a generation. This accomplishment advances lake clarity, biodiversity, and restoration goals.

As the lead agency for the Lake Tahoe Environmental Improvement Program (EIP), TRPA coordinates more than 80 public, tribal, and private partners tackling transportation, forest health, and water quality challenges. Together, we are addressing critical threats like aquatic invasive species, extreme weather, rising temperatures, and wildfire risk.

This important work received considerable support from federal partners in 2024. Through the leadership of Lake Tahoe's Congressional delegation, the legislature reauthorized the Lake Tahoe Restoration Act, which extended access to $300 million in federal funding to match local, state, and private investments in priority EIP projects. TRPA also helped secure an additional $30 million in federal transportation funding, including a $1.7 million grant to enhance emergency preparedness and response.

Progress in affordable workforce housing continues. In 2024, we celebrated the opening of Sugar Pine Village's first phase, a 248-unit deed-restricted affordable housing project in South Lake Tahoe—a testament to collaboration and innovative policy.

We've built on lessons learned from the 2021 Caldor Fire, advancing regional evacuation planning, improving water supply and communication infrastructure, and prioritizing fuel reduction along evacuation routes and power lines.

The achievements in this report reflect the dedication of countless individuals and organizations. Thanks to the dedicated leadership of TRPA's Governing Board, together as "Team Tahoe," we continue the legacy of collaboration and partnership ignited 55 years ago. May it guide us for decades to come.

Sincerely,

Julie W. Regan

Julie W. Regan
Executive Director

TAHOE REGIONAL PLANNING AGENCY



TRPA STRATEGIC *Priorities*

Approved by the Governing Board, these strategic priorities reflect the agency's commitment to protect Lake Tahoe's environment while improving regional transportation, increasing diverse housing options, and facilitating community revitalization.

TAHOE LIVING

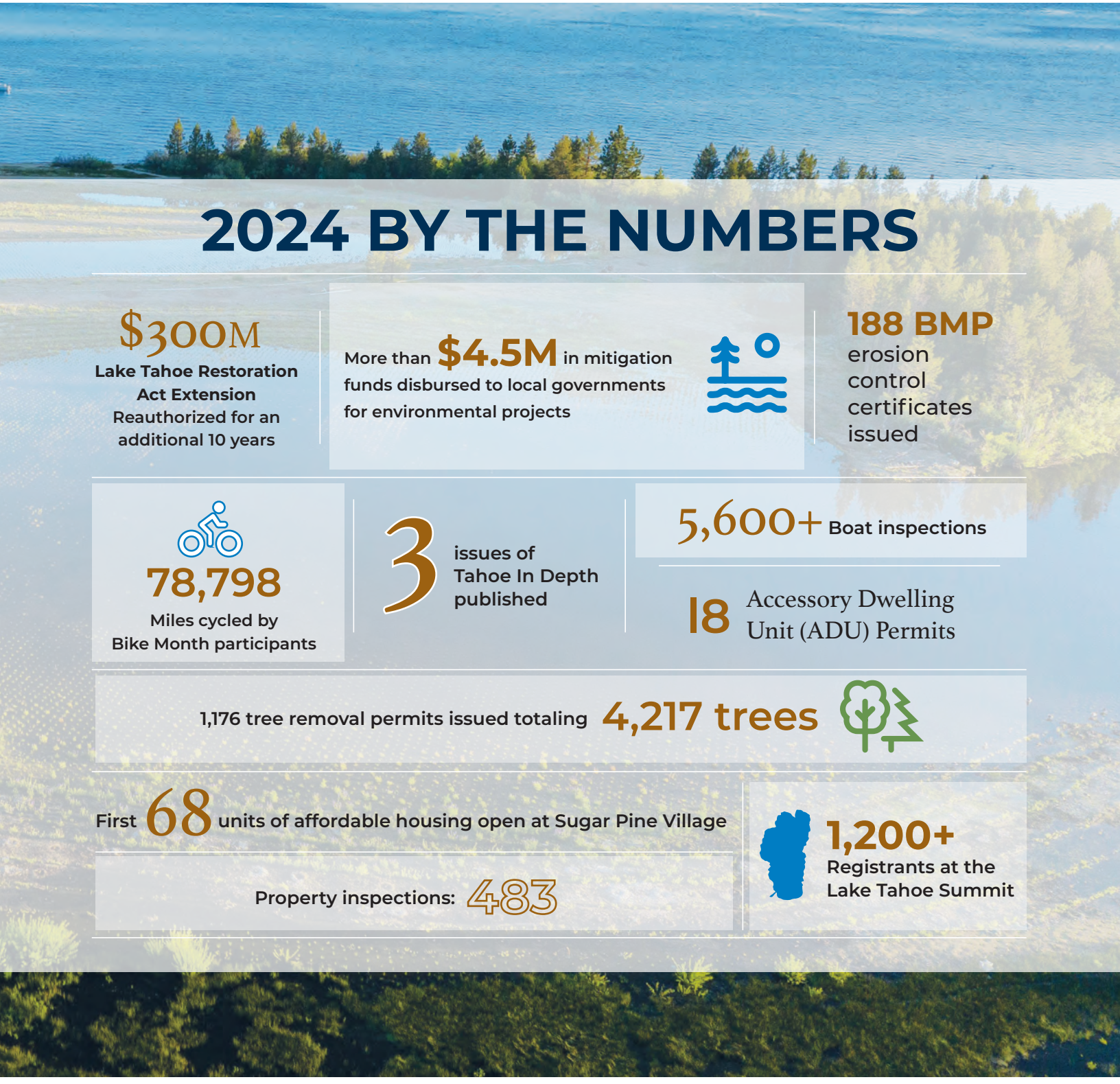
Creating complete communities that provide housing for all, an appropriate mix of uses to support vibrant, walkable, transit-friendly neighborhoods, and the necessary infrastructure to protect our unique and precious environment.

KEEPING TAHOE MOVING

Improving the transportation system for local communities and the millions of annual visitors to the Tahoe Region.

RESTORATION AND RESILIENCE

Accelerating environmental improvement and transportation programs to restore our environment and bolster the region's climate resilience.



2024 BY THE NUMBERS

$300M
Lake Tahoe Restoration Act Extension
Reauthorized for an additional 10 years

More than **$4.5M** in mitigation funds disbursed to local governments for environmental projects

188 BMP erosion control certificates issued

78,798
Miles cycled by Bike Month participants

3 issues of Tahoe In Depth published

5,600+ Boat inspections

18 Accessory Dwelling Unit (ADU) Permits

1,176 tree removal permits issued totaling **4,217 trees**

First **68** units of affordable housing open at Sugar Pine Village

Property inspections: **483**

1,200+
Registrants at the Lake Tahoe Summit

Tahoe Living: Housing and Community Revitalization

The Tahoe Living strategic priority integrates environmental redevelopment and water quality improvements to address Lake Tahoe's affordable housing crisis.



Accessory dwelling units (ADUs) are one solution to increasing the supply of workforce and affordable housing here and across the nation.

2024 ACCOMPLISHMENTS

Engaged 100+ community members through bilingual workshops and surveys as part of the Cultivating Community, Conserving the Basin project.

Approved mixed-use and climate code amendments, including energy efficiency, dark sky, and affordable housing requirements.

Permitted 18 accessory dwelling units (ADUs), bringing the total to 57 since policy updates in 2020.

PROJECT SPOTLIGHT:

68 Affordable Housing Units

TRPA and partners celebrated the opening of 68 affordable housing units at Sugar Pine Village, which will eventually provide 248 homes for low-income families and workers. Staff moved this project forward in record time, and it now serves as a national model to combat the widespread housing crisis.





South Shore public workshop on Cultivating Community, Conserving the Basin (above).

Lake Tahoe Community College's 100 bed student dormitory will open in fall of 2025 (above right).



Keeping Tahoe Moving

Transportation and destination stewardship improvements are critical to protecting Lake Tahoe's environment and quality of life. In 2024, TRPA and its partners made significant strides in building a safer, more sustainable transportation network while securing major funding for future projects.





Pedestrians enjoy the East Shore Trail (top).

Passengers disembark at the Tahoe City Transit Center (bottom).

PROJECT SPOTLIGHT:

Lake Tahoe Awarded $24 Million for East Shore Transportation and Trails

TRPA and other basin partners supported the Tahoe Transportation District's award of a $24 million Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant for extending the East Shore Trail and improving safety on Nevada State Route 28.



2024 ACCOMPLISHMENTS

Secured $70 million for transportation improvements, including $33.6 million in new funding provided by federal, state, local, and private partners.

Endorsed the Vision Zero Safety Strategy and Active Transportation Plan, which aims to eliminate roadway fatalities and make it easier and safer for people to get around without a private vehicle.

Received $1.7 million in federal PROTECT grant funding to upgrade the Tahoe Region's communications infrastructure and assist with integrated evacuation planning in collaboration with emergency response and transportation partners.

Achieved record-breaking participation during Tahoe Bike Month, with cyclists logging 78,798 miles.

Received a planning excellence award from the Society of Outdoor Recreation Professionals for the Destination Stewardship Plan alongside 17 partners.

Achieved a 79 percent reduction of trash following the Fourth of July as compared to 2023.

Administered $9.2 million for transit operations.

LAKE TAHOE
ENVIRONMENTAL
IMPROVEMENT
PROGRAM

Restoration and Resilience: Environmental Improvement Program

The goal of the Restoration and Resilience strategic priority is to increase the pace and scale of Lake Tahoe Environmental Improvement Program (EIP) implementation. TRPA leads this partnership with 80 organizations. Since its inception, the EIP has implemented more than 800 projects, improving forest health, water quality, and sustainable recreation, and is now considered one of the most comprehensive and successful conservation programs in the nation.



Credit: Tahoe Production House


Credit: Nevada Tahoe Resource Conservation District

Restoration of key tributaries, such as Saxon Creek shown above, ensures sediment and pollutants are filtered before reaching Lake Tahoe.

PROJECT SPOTLIGHT:

Lake Tahoe Restoration Act Reauthorization

TRPA played a key role in the passage of the Lake Tahoe Restoration Act, reauthorizing $300 million in federal funding to protect and preserve the lake through the EIP for the next decade. Congressman Kevin Kiley (R - CA) and Senator Catherine Cortez Masto (D - NV) hosted a press conference at Heavenly Ski Resort to commemorate the reauthorization of the Act.

2024 ACCOMPLISHMENTS

Supported EIP partners in completing 24 restoration projects, advancing forest health, water quality, and recreation goals.

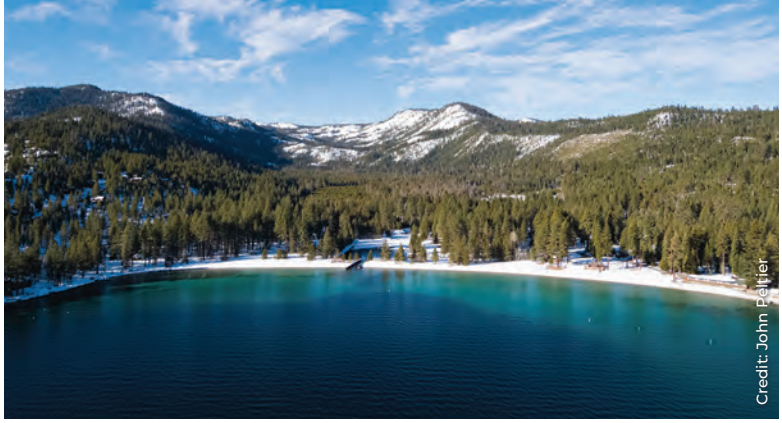
The TRPA Governing Board approved the South Tahoe Public Utility District's solar power project, which brings the City of South Lake Tahoe closer to their 100 percent renewable energy goals.

Contributed funding to the Washoe Tribe of Nevada and California to hire a Tahoe Tribal Liaison, providing more Tribal capacity for engagement with Tahoe agencies.

Disbursed $4.5 million in mitigation funds sourced from fees paid by development projects to support sensitive land acquisitions and restoration efforts.

Environmental Improvement Program

Watersheds and Water Quality


Credit: John Pelnier

The restoration of Meeks Bay will also support sustainable recreation opportunities.

Regaining Lake Tahoe's incredible clarity is a fundamental goal advanced by restoring ecosystem health and resilience and reducing the flow of pollutants and fine sediment from urban areas. TRPA provides leadership, support, and funding for large-scale ecosystem restoration and stormwater treatment projects throughout the region.

2024 ACCOMPLISHMENTS

The Governing Board approved the USDA Forest Service Meeks Bay Restoration Project to restore Meeks Creek while supporting sustainable recreation opportunities.

Administered federal watershed restoration funds to support partners in planning and implementing stormwater, restoration, and fish passage projects throughout the basin.

Advanced two innovative green infrastructure projects that employ natural infiltration strategies while integrating parking, bicycle and pedestrian connectivity, and wildlife habitat.

Issued 188 Best Management Practices (BMP) certificates to reduce sediment and pollutants entering the lake, and re-issued 85 BMP certificates after verifying maintenance and effectiveness.

PROJECT SPOTLIGHT:

Upper Truckee Marsh South Acquisition

The California Tahoe Conservancy acquired 31 acres of sensitive land along the Upper Truckee River, placing over 96 percent of the river's lower 9 miles in public ownership. Supported by $3.5 million in TRPA mitigation funds, this purchase advances the Lake Tahoe Environmental Improvement Program's goal of removing development from sensitive areas and highlights the power of public-private partnerships.


Credit: California Tahoe Conservancy

Environmental Improvement Program

Forest Health

As a founding member of the 21-agency Tahoe Fire and Fuels Team (TFFT), TRPA and its partners prioritize forest health and wildfire preparedness, implementing new strategies and technologies to protect communities and critical ecosystems. These efforts are essential to maintaining Tahoe's resilience in the face of climate challenges.

2024 ACCOMPLISHMENTS

Supported local fire chiefs in developing the first Regional Evacuation Plan.

Secured $1.7 million in federal funds to develop a resilient infrastructure plan for the region and improve coordination and communication during emergencies and evacuations.

Supported the 2024 update of the Tahoe Basin Community Wildfire Protection Plan, which includes a new interactive web platform to view priority treatment areas.

Facilitated a TFFT strategic retreat with 21 partners to set goals and expand forest restoration efforts and technologies.

Partners treated nearly 5,000 acres for forest fuels reduction.

Local fire districts completed more than 12,000 defensible space inspections.



Prescribed fires are a vital forest management tool to help protect communities.





PROJECT SPOTLIGHT:

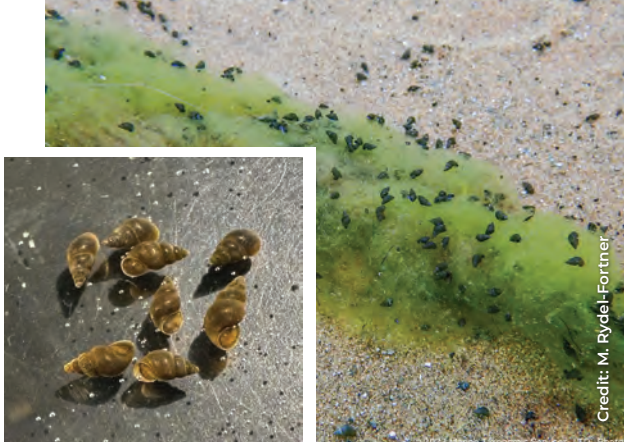
Innovative Technology to Reduce Forest Fuels

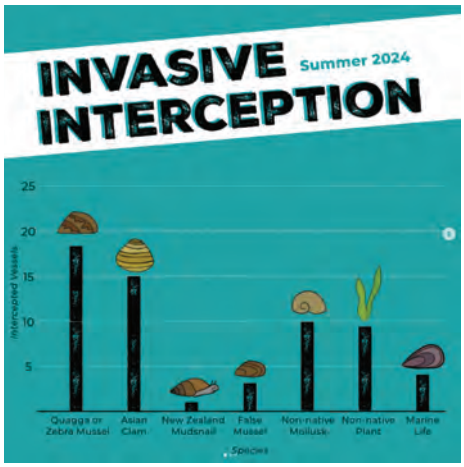
Fire officials previewed BurnBot, a new remote mastication technology that enables crews to remove trees, bushes, and other forest debris 10 times faster than traditional methods. The remote mastication team treated more than 22 acres in three days, which would normally take over two weeks with hand crews.

Environmental Improvement Program

Aquatic Invasive Species

TRPA leads the basin-wide partnership to manage aquatic invasive species (AIS) at Lake Tahoe. Through control projects, watercraft inspections, and the Tahoe Keepers program, the region combats existing invasives and prevents new ones from being introduced.





Credit: created by TRPA

PROJECT SPOTLIGHT:

17 Acres of Invasive Weeds Removed

Crews removed bottom barriers from 17 acres of the Taylor Tallac Marsh - a USDA Forest Service property on the South Shore – completing three years of work on the Tahoe Basin's largest AIS removal project. This triggers the next phase of restoration for one of the basin's largest wetlands.



2024 ACCOMPLISHMENTS

Partnered with the Tahoe Keys Property Owners Association (TKPOA) to complete the third year of the Tahoe Keys Control Methods Test, the AIS Program's top-priority project. Results are under evaluation as stakeholders plan the next phase and long-term treatment.

Updated Clean, Drain, and Dry protocols following the discovery of the invasive New Zealand mudsnail in 2023. Environmental DNA confirmed the species' range has not significantly changed since discovery.

Inspected more than 5,600 vessels and intercepted 59 with invasive species through the nationally recognized Lake Tahoe Watercraft Inspection Program.

Piloted a "Roving Inspector Program," engaging more than 5,200 paddleboarders and non-motorized vessel users at beaches and nearby lakes to raise awareness.

Certified 500 new Tahoe Keepers through a bilingual training video, promoting self-inspection of non-motorized watercraft.

Advanced planning for permanent watercraft inspection stations at Spooner Summit, NV and Meyers, CA.

Regional Planning

The Regional Planning Department upholds the Bi-State Compact's goals of environmental planning, growth, and partnership building, leading two of TRPA's strategic priorities: Tahoe Living and Keeping Tahoe Moving.



North Shore Workshop

PROJECT SPOTLIGHT:

Kicking off Cultivating Community, Conserving the Basin

TRPA launched the Cultivating Community, Conserving the Basin project to make housing more affordable for local families, workers, and seniors while enhancing environmental protections. The project engaged hundreds of residents through North and South Shore workshops and will continue with public input, goal-setting, policy development, and environmental analysis over the next two years.



South Shore Workshop



Complete Streets make it easier to travel without a car.

2024 ACCOMPLISHMENTS

The Governing Board approved three area plan amendments that encourage deed-restricted housing in walkable and bikeable town centers.

Supported ongoing area plan amendment processes in El Dorado, Douglas, and Washoe counties.

Achieved 100 percent compliance with annual deed restriction monitoring requests.

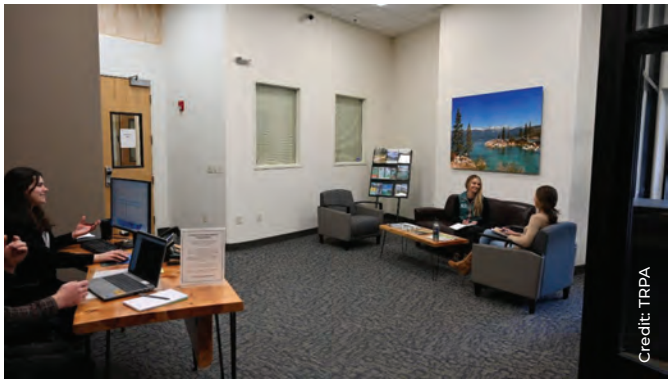
Responded to more than 100 inquiries about accessory dwelling units and affordable housing projects.

The Governing Board adopted the 2024 Active Transportation Plan alongside the Vision Zero Safety Strategy, which will help locals and visitors walk, bike, and roll throughout the region while keeping Tahoe's roadways safe.

Identified funding and a strategy for parking management and a transit pilot, addressing safety and traffic congestion at Emerald Bay.

Permitting and Code Compliance

The Permitting and Compliance Department supports environmentally beneficial redevelopment and private sector investments by reviewing, permitting, and inspecting projects in a timely and consistent manner.



The TRPA lobby is open daily.

2024 ACCOMPLISHMENTS

Processed 1,200+ applications, meeting 30/120-day review standards.

Reviewed large projects like the Cal-Neva revitalization, Boatworks Mall, Homewood Ski Resort Master Plan amendments, and the Barton community hospital proposal to ensure they deliver environmental benefits and advance Regional Plan goals.

Processed more than 1,200 tree removal applications.

Processed 69 code enforcement cases, 56 construction extensions, and 483 property inspections.

Resolved code violations, including an illegal boat entry into the Upper Truckee Marsh.

Permitted the removal of 520 feet of sewer main impacted by storms and issued 12 emergency permits for shoreline repairs to prevent the discharge of sewage to the lake.

Completed 110 pre-application consultations, 1,312 front lobby visits, 4,862 calls, and 166 appointments as part of the permitting improvement project.

PROJECT SPOTLIGHT:

Illegal Buoys Removed from Lake Tahoe

TRPA and the California State Lands Commission removed illegal concrete mooring blocks and buoys weighing 1,200+ pounds from Lake Tahoe using air-filled lift bags. This ongoing effort will ensure all buoys are registered and comply with shoreline regulations.



TRPA removed illegal moorings as part of implementation of the Shoreline Plan.



Research and Analysis

TRPA tracks the effectiveness of Regional Plan policies and environmental programs by monitoring environmental thresholds, performance measures, and management actions. The Research and Analysis team collaborates with the science community to provide data that informs policy decisions and ensures accountability.



Eagle Falls at Emerald Bay, Lake Tahoe.

2024 Field Monitoring Highlights

- *Collected 280 environmental DNA samples for invasive New Zealand mudsnail at 105 sites, with no detections.*
- *Managed 31 bike and pedestrian counters to gather data on trail use.*
- *Completed basinwide surveys of osprey, peregrine falcon, and bald eagle populations.*
- *Maintained air quality and visibility monitoring stations.*
- *Completed 21 stream environment zone assessments.*

2024 ACCOMPLISHMENTS

Redesigned the four-year Threshold Evaluation process to engage interested parties in developing policy recommendations. The evaluation, peer review, and engagement process will continue through 2025.

Launched the updated Climate Resilience Dashboard with 14 key resilience categories and 35 metrics for tracking progress on environmental, community, and economic resilience.

Digitized 8,500 legacy agency documents, significantly improving accessibility and efficiency.

Added new datasets to Tahoe Open Data, including census and demographics data and all Threshold Evaluation and Climate Resilience Dashboard datasets, increasing transparency and data accessibility.

Improved data systems by optimizing public-facing mapping tools for mobile use, enabling near real-time parcel updates, and adding 15 public code repositories for collaboration.



Team Tahoe advocates for the Lake Tahoe Restoration Act extension in Washington D.C.

Communications and Government Affairs

The Communications and Government Affairs team is committed to public education, outreach, and community engagement about TRPA's programs and priorities.



Best in Basin winners.


Tahoe IN DEPTH

PROTECTING, ENJOYING & EXPLORING THE LAKE TAHOE BASIN

WINTER 2024 · ISSUE 28

After half a century, TRPA remains steadfast in its mission to protect the Lake Tahoe Region

By Kimberly Caringer
Lake Tahoe Nature Science

55

Reflecting on how far the bi-state partnership has come in preserving one of the world's most iconic landscapes

The Bi-State Compact is born

INSIDE THIS ISSUE

FIRE: Washoe Tribe hosts first cultural fire training at Lake Tahoe 3
TAYLOR-TALLAC RESTORATION: Crews eradicate invasive plants 4
AQUATIC INVASIVES: Rapid response blocked spread of mudsnail 4
STORMWATER: Regional treatment programs provide an alternative 6
RESTORATION: The transformation of Incline Meadow and Burke Creek 8
CULTIVATING COMMUNITY: Residents attend housing workshops 10
RANGER HIKES: Program connects community with the land 16
PUBLIC ART: Vibrant murals represent community and local culture 17

The 28th issue of Tahoe In Depth commemorates TRPA's 55th anniversary.

PUBLIC OUTREACH

- Produced three issues of the agency's award-winning environmental newspaper, Tahoe In Depth, featuring 37 news stories and reaching 36,000 property owners and 5,000 visitors per issue.
- Won the Public Relations Society of America's Silver Spike Award (Sierra Nevada Chapter) for TRPA's crisis communications plan for the New Zealand mudsnail discovery.
- Published 29 news releases and 22 opinion columns in local and regional outlets.
- Increased social media reach 77 percent, and content interactions by 20 percent.
- Reached 12,375 contacts through 80 email campaigns including bilingual housing updates.





The 28th annual Lake Tahoe Summit featured a booth fair with more than 40 organizations (top) and keynote speaker Pete Buttigieg, U.S. Secretary of Transportation (bottom).

ENVIRONMENTAL EDUCATION

- Recognized nine projects and programs with Best in Basin awards for environmental design and stewardship.
- Awarded $1,500 scholarships to two local students pursuing environmental degrees.
- Organized the Heavenly Snowshoe field trip for 270 local eighth graders, and reached 10,217 individuals through 18 educational programs as part of the South Tahoe Environmental Education Coalition.

Assisted in organizing the *28th annual Lake Tahoe Summit and staff field tours* showcasing EIP projects.

GOVERNMENT AFFAIRS

- Organized a successful fly-in to visit with the congressional delegation in Washington, D.C. in the spring with 22 Team Tahoe partners to advocate for the 10-year extension of the Lake Tahoe Restoration Act. Played a pivotal role in securing its passage.
- Supported Nevada's Legislative Oversight Committee, resulting in eight bill drafts for 2025.
- Hosted 14 field tours to engage elected officials on Tahoe's priorities and needs.
- Helped partners secure more than $5.5 million in funding for priority EIP projects including the State Route 28 Corridor and microtransit operations in Incline Village.

Finance, Legal, and Human Resources

The Finance and Facilities Team manages fiscal services, grants, budgeting, forecasting, and IT resources to support a professional work environment, public information dissemination, and online meeting participation. The team upholds the highest financial standards to support TRPA's mission.

The Legal Team provides support to TRPA staff, the Governing Board, Advisory Planning Commission, and committees in fulfilling the Tahoe Regional Planning Compact's mandates. TRPA remains the nation's first environmental organization with land use authority crossing state lines, maintaining a unique status in the U.S.

TRPA REVENUE



4% Other
13% Nevada
21% California
20% Fees for Service
42% Grants

EXPENSES



2% Financing
4% Other
38% Compensation
56% Contracts

FINANCE AND FACILITIES

- Released $3.5 million of mitigation funding to acquire the Upper Truckee Marsh South property on 31 acres of environmentally sensitive land.
- Received an unqualified audit opinion for Fiscal Year 2024.

LEGAL

- Received favorable decisions and findings in one lawsuit and pursued several enforcement matters to ensure continuing compliance with the Regional Plan.
- Significantly increased staff capacity by adding two new legal team members to assist with workload while also positioning the agency to effectively transition Graham St. Michel, of the legal team, to the General Counsel position with John Marshall's retirement.
- Responded in a timely manner to 40 public records requests and provided invaluable support to housing and permitting code amendments.

HUMAN RESOURCES

- Helped increase the agency's enforcement capabilities with a new compliance team position.
- Hired and onboarded a new Chief Financial Officer to oversee the finance, facilities, and IT teams.
- Cultivated leadership skills among agency mangers through a new Leadership Academy program.
- Held 12 Learning Lab sessions open to all staff to improve skills and cross-team collaboration.
- Successfully negotiated updated health care packages.
- Managed retention, performance, and satisfaction programs for a full complement of 77 staff members.

Looking *Forward*

The significant challenges facing the Tahoe Basin must be met head on through partnerships and collective action. TRPA remains committed to a collaborative leadership approach in each of our strategic priorities.



The **Tahoe Living** initiative will focus on advancing the Cultivating Community, Conserving the Basin project to make housing more affordable for local families, workers, and seniors while improving environmental protections. The team will also continue to meet permitting and enforcement goals and ensure local area plans align with recent housing amendments.

TRPA will continue **Keeping Tahoe Moving** by bringing forward the Connections 2050 Regional Transportation Plan for consideration in 2025. The new plan outlines the needed projects and improvements in transit, trails, technology, and towns and corridors to realize the vision for a safe and effective transportation system. TRPA and partners remain committed to securing additional investments in Tahoe's transportation system to achieve the region's vision.

As part of the **Restoration and Resilience** initiative, TRPA will accelerate the Environmental Improvement Program's pace and scale. The 2023 Threshold Evaluation will review progress toward environmental goals, informing program updates. TRPA will continue its leadership role at the Lake Tahoe Summit and support the congressional delegation and state officials in advocating for the protection of the lake.

TAHOE REGIONAL PLANNING AGENCY



"We're all here for the lake."

– Julie Regan, TRPA Executive Director

Credit: Drone Promotions

our **Vision** *is for*

a lake environment that is sustainable, healthy, and safe for the community and future generations.

TAHOE REGIONAL PLANNING AGENCY

Office Location: 128 Market Street, Stateline, NV

Mailing Address: P.O. BOX 5310 Stateline, NV 89449-5310

Phone: 775.588.4547 · **Fax:** 775.588.4527

trpa.gov

Published by the Tahoe Regional Planning Agency / February 2025 / Cover photo: Twilight and Rust

TAHOE REGIONAL PLANNING AGENCY

Financial Statements

Year Ended June 30, 2024

(This page intentionally left blank)

TAHOE REGIONAL PLANNING AGENCY

Financial Statements

Year Ended June 30, 2024

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Management's Discussion and Analysis (Required Supplementary Information)	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	25
Statement of Activities	26
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	28
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	29
Statement of Revenues, Expenditures and Changes in Fund Balances	30
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Fiduciary Funds:	
Statement of Fiduciary Funds Net Position	32
Statement of Changes in Fiduciary Funds Net Position	33
Notes to the Basic Financial Statements	34
Required Supplementary Information:	
Budgetary Comparison Schedules:	
General Fund	57
Transportation Special Revenue Fund	58
Aquatic Invasive Species Special Revenue Fund	59
Note to Required Supplementary Information	60
Supplementary Schedules:	
General Fund:	
Combining Balance Sheet	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	64

TABLE OF CONTENTS (CONTINUED)

	Page
Supplementary Schedules (Continued):	
Non-Major Governmental Funds:	
Combining Balance Sheet	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	68
Budgetary Comparison Schedules:	
Special Revenue Funds:	
Environmental Improvement Program Fund	70
Erosion Control Fund	71
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position	72
Combining Statement of Changes in Fiduciary Net Position	74

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Independent Auditor's Report

Board of Directors
Tahoe Regional Planning Agency
Stateline, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tahoe Regional Planning Agency (TRPA) as of and for the year June 30, 2024, and the related notes to the financial statements, which collectively comprise TRPA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of TRPA, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As further describer in note 13 to the financial statements, during the year ended June 30, 2024, TRPA implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TRPA's

ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TRPA's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TRPA's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited TRPA's 2023 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated December 4, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and the *budgetary comparison schedules* for the General Fund and each major special revenue fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2025, on our consideration of TRPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering TRPA's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
January 14, 2025

(This page intentionally left blank)

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

TRPA operates in the context of the Tahoe Region which has global reach and impact. Lake Tahoe is considered a precious natural resource to the states of California and Nevada, and the driver of the area's $5 billion annual economy. The agency's mission is a comprehensive undertaking which is also labor-intensive and costly. TRPA's jurisdiction is a 500-square-mile watershed with many different landowners. Approximately 90 percent of the land area is in public ownership held by the USDA Forest Service and various other state and local entities. Portions of five counties and an incorporated city share Lake Tahoe's shoreline and environs, creating a patchwork of jurisdiction and unique community values that TRPA was created to meld into a cohesive regional planning framework. Approximately 55,000 people live in the region, and more than 2 million visitors spend 15 million visitor days in the region annually. That is nearly three times the annual number of visitors to Yosemite National Park, but with just a third of the land area. The lake has been designated an Outstanding National Resource Water under the Federal Clean Water Act—making it not only the crown jewel of the Sierra Nevada mountain range, but also a national treasure.

To answer its mandate, TRPA adopted environmental standards called "thresholds" in 1982. The Bi-State Compact directs the agency to establish a Regional Plan with management actions that meet and maintain the thresholds while providing for the orderly growth and development of the region. The agency is authorized to collaboratively work through a variety of means including land use regulation, growth management, capital improvement programs, and resource management plans. Under the Environmental Improvement Program, or EIP, TRPA coordinates more than 80 organizations who collectively implement the management actions, programs, and plans to achieve the requirements of the Compact.

Using the Annual Report

The discussion and analysis of the financial performance of TRPA provides a review of the organization's overall financial activities for the fiscal year ended June 30, 2024. 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 all activities, 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 provide more detail.

TRPA Highlights

During fiscal year 2024 (FY 2024), the Lake Tahoe Region experienced both the triumphs and challenges of existential threats facing the region and the collaborative progress being made to confront and overcome them. Lake Tahoe's environment and communities continued experiencing the cross-cutting impacts of climate change including a heightened risk of wildfire, slow improvements to lake clarity, harmful effects of new and existing aquatic invasive species, and increasing pressure on recreation areas and roadways as Tahoe becomes a climate refuge for surrounding population centers. More and more, Lake Tahoe communities are also straining from a severe shortage of affordable housing, and traffic on peak days that raise concerns about safety, emergency evacuation, and quality of life.

Answering its mandate to lead regional initiatives to protect Lake Tahoe and enhance communities, TRPA and its partners made significant progress in FY 2024 implementing climate action strategies, funding initiatives, and on-the-ground projects to improve regional resilience to these emerging threats. This report details the agency's activities during the fiscal year to complete this important work.

Central to TRPA's mission is protecting the clarity of the lake itself. Scientific monitoring of lake clarity shows that decades of conservation, restoration, and growth management are proving successful, yet other factors appear to be holding back overall improvements in Tahoe's clarity. Following the clearest measurements in more than 40 years during the winter of 2023, the summer of 2023 contained the 5th-worst clarity measurement on record. The large swing continued the years-long trend of clarity improving in winter months and deteriorating during summer months. TRPA has engaged the Tahoe Science Advisory Council to expand our knowledge of the drivers of lake clarity as extreme weather events and algae growth during increasingly hot summers change conditions in the lake.

Yet Lake Tahoe remains one of the most protected waterbodies in the nation. The success of pollutant load reduction programs can be seen in the steady improvement of winter clarity. The 2024 Total Maximum Daily Load performance report estimated more than 550,000 lbs. of fine sediment, 4,300 lbs. of nitrogen, and 1,500 of phosphorus loads are being kept out of the lake through environmental improvement projects.

Significant progress under the Lake Tahoe Environmental Improvement Program (EIP) was also made during the year. TRPA and EIP partners came together to provide funding for the California Tahoe Conservancy's acquisition of 31 acres of private property on the banks of the Upper Truckee River in South Lake Tahoe, which was a major priority of the Regional Plan and EIP. The agency provided $3.5 million in mitigation funds to help make the acquisition and restoration happen. The agency also led a coalition of partners to Washington D.C. to educate congressional leaders on the extension of the Lake Tahoe Restoration Act, a key piece of federal legislation that has supported hundreds of forest fuel reduction, water quality, and aquatic invasive species projects. As a result, Congress passed legislation to extend the Lake Tahoe Restoration Act for ten more years, making approximately $300 million available to protect and preserve the lake.

TRPA continued convening and coordinating forest health partners through the Tahoe Fire and Fuels Team. With the increase in catastrophic wildfire and growing concerns around emergency evacuation preparedness, the agency stepped forward as the grantee of a $1.7 million federal grant to support law enforcement, fire agencies, and transportation partners to conduct coordinated evacuation planning and

reduce the vulnerability of communication and transportation infrastructure to wildfire and more extreme weather events.

TRPA recognizes the important role the Regional Plan and growth management policies play in removing barriers to affordable and workforce housing in the region. In FY 2024, the agency adopted new policies that allow greater density, height, and land coverage to encourage deed-restricted multi-unit, compact residential development in the vicinity of town centers and walkable neighborhoods. The agency's Tahoe Living strategic priority kicked off the next phase of work called Cultivating Community, Conserving the Basin, which includes an equity and climate assessment of TRPA policies to ensure social and racial equity are integrated into climate, housing, and transportation planning. In addition to the Transportation Equity Study, the project will support broad and in-depth engagement of underrepresented community members to build trust and improve two-way communication between regional agencies and communities.

The agency approved climate smart policies to make solar energy systems more feasible for many property owners, increased requirements for electric vehicle charging stations in parking areas, and protected dark skies with new exterior lighting standards.

TRPA also continued leading transportation improvements in FY 2024 by securing new transportation funding across multiple sectors, supporting local projects through its regional grants program, and implementing Corridor Management Plans in Tahoe's busiest recreation corridors. Destination Stewardship Plan implementation will include continuing collaboration on the growing issues associated with recreation.

As the region's federally designated Metropolitan Planning Organization, the agency also led creation of the Lake Tahoe Vision Zero Safety Strategy with a goal of reducing vehicle crash fatalities and serious injuries to zero by 2050. TRPA completed the first-ever Transportation Equity Study for the Lake Tahoe Basin to ensure that the most vulnerable members of our communities are represented in transportation planning. In addition, the agency kicked off the 4-year update of the Regional Transportation Plan to be released in 2025.

TRPA recognizes that challenging work lies ahead and is answering the mandate of the bi-state compact by continuing to build trust, strengthen partnerships, and modernize policies to continue Tahoe's conservation success story.

Outreach

During FY 2024, the External Partnerships Team continued to prioritize community engagement, outreach, and partnerships with other Tahoe organizations to help the agency achieve its mandate. The External Partnerships Team organized a series of TRPA Talks around the lake for community members to meet TRPA's new Executive Director and discuss critical issues. Affordable housing, traffic, wildfire emergency preparedness, development, tourism, and sustainability were the key topics raised across communities. This input was incorporated into TRPA's three strategic priorities: Tahoe Living, Keeping Tahoe Moving, and Restoration and Resilience.

External Partnerships staff maintained a leadership role in the 27th Lake Tahoe Summit by assisting U.S. Senator Alex Padilla (D, CA.) and partners to host the annual event at Kings Beach, field tours for policy members, and a luncheon following the Summit. The Theme "Protecting Lake Tahoe: Sustainability and Stewardship in the Face of the Climate Crisis" highlighted the whiplash of extreme weather over the last several years in the basin and the need for continued investment in the Environmental Improvement Program.

In February 2024, TRPA led a coalition of 22 partner entities to Washington D.C. to provide a unified message to Congress on the importance of extending the Lake Tahoe Restoration Act. Since 2016, $121.8 million out of the $415 million authorized has been appropriated for Lake Tahoe restoration which has catalyzed over $500 million in state, local, and private matching funds. Legislation to extend the Act was successfully passed in FY25 and will allow an additional ten years to fill the appropriations gap. This landmark Act shows the power of the bi-partisan support for Lake Tahoe and the power of the collaborative partnership working together to protect and restore the region.

TRPA produced two issues of the agency's award-winning environmental newspaper, Tahoe In Depth, which was mailed to all 40,000 property owners in the Basin as well as distributed around the lake to reach visitors. The paper features stories from many contributing authors from partner organizations around the basin to keep residents and visitors informed of the issues and critical work occurring in Lake Tahoe.

Transportation and Climate Action

Building a transportation system that connects people and places in ways that reduces reliance on the automobile while reducing climate-harming emissions is a top priority for TRPA. The 2020 Regional Transportation Plan was adopted in FY 2021 and is the blueprint for Tahoe's sustainable future. The plan prioritizes adding more frequent, reliable transit services, using technology to connect people to transportation options, connect and complete more trails, and bringing plan elements together with a corridor planning framework connecting workers to jobs, visitors to recreation, and residents to town centers, housing, and recreation. The agency also completed a Greenhouse Gas emissions inventory for the Tahoe Basin, the Tahoe Regional Trails Strategy to improve and connect hiking and mountain biking trails, the Active Transportation Plan and Vision Zero Strategy to ensure equitable no auto access to all destinations, and continued implementing and fulfilling existing corridor plans to address traffic, pedestrian, bicycle, and transit challenges in Tahoe's main recreation corridors like Emerald Bay and State Route 28 along the East Shore. TRPA staff is currently working to update the plan which the Governing Board will consider in 2025.

Sustainable Recreation and Tourism

In June 2023, a new group of partners, including TRPA, launched the first ever Destination Stewardship Plan for the Tahoe Region. The planning process began in early 2022 after the community and environment felt immense challenges brought on by the COVID-19 pandemic. Eighteen regional organizations collaboratively developed the plan's vision and actions with the participation of over 3,000 residents, visitors, and businesses through surveys, interviews, and workshops. The plan identifies 32 actions across four strategic pillars: Foster a tourism economy that gives back; Turn a shared vision into shared action; Advance a culture of caring for the greater Lake Tahoe Region and improve the Tahoe experience for all.

Following adoption of the plan, five working groups were established to implement the plan's 32 actions. TRPA participates as co-chair of the economic action team and as members of the peak demand, communications, and infrastructure action teams. Success of these groups was measured by a more than 80 percent reduction of litter after the 2024 Fourth of July weekend as compared to 2023.

Science & Monitoring

TRPA continued to engage agency partners and the Tahoe Science Advisory Council and the Threshold Update Initiative Stakeholder Working Group to improve the threshold monitoring plan and to recommend updates to the threshold standards to reflect the latest science. This led to the updating standards in in four threshold categories in May of 2024. TRPA partnered with council to continue implementation of priority lake clarity projects. The council convened a microplastics working group to assess the current state of knowledge of microplastics in the Tahoe Basin, highlight key data gaps, and recommend next steps. From a monitoring perspective, the council is actively engaged in research and monitoring efforts within the lake's watershed. In FY 2024, the Council continued its support for a project that is evaluating historical monitoring efforts in the watershed and refining monitoring work in the context of the changing climate. Finally, the council initiated an independent peer review of TRPA's regular threshold evaluation findings. The work will extend into FY 2025.

Housing and Community Revitalization

TRPA leads the Tahoe Living Strategic Priority to reduce barriers to developing affordable housing in the Tahoe Region while maintaining and achieving environmental thresholds. In FY 2024 the agency made major progress by approving the second set of policy amendments identified by the Tahoe Living Working Group to facilitate more housing for local residents and workers. These amendments allowed more flexible development standards for multi-family housing in town centers and walkable neighborhoods, while strengthening the tie between new projects and stormwater treatment. TRPA also adopted requirements for an affordable housing component in all new subdivision projects, as well as approving mixed-use, climate, and dark skies amendments. Upon completion of the housing amendments in December, TRPA onboarded a consultant team to begin the process for the third and most in-depth set of housing amendments identified by the Tahoe Living Working Group, called *Cultivating Community, Conserving the Basin.* This phase will focus on updating the development rights system to make it more equitable and sustainable, and strengthen long-term, two-way engagement between communities and agencies with a particular focus on disadvantaged and historically underserved communities.

Operations

TRPA continued a hybrid work model that captures the benefits of both in-person collaboration and remote work and harnesses efficiencies TRPA has gained by the new work model. The agency continues to expand online permitting which reduces the need for applicants to travel to TRPA offices for business and expanded the offering of remote virtual permitting consultation appointments. The agency is moving forward on deferred maintenance and necessary building repairs with funds from the refinancing of TRPA's long-term debt.

TRPA Organization

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

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

The roles and responsibilities of the Departments are:

- The Regional Planning Department updates plans, develops policies and goals, and regulations to ensure they are achieving and maintaining environmental thresholds and Regional Plan goals. Additionally, the team leads and supports key strategic initiatives which help to further the goals and policies of the Regional Plan and Regional Transportation Plan. The team builds, maintains, and convenes multi-sector partnerships to collaborate for desired results across all levels of government and the private sector. TRPA is the federally designated Tahoe Metropolitan Planning Organization (TMPO) and the California designated Regional Transportation Planning Agency (RTPA) for authorization and receipt of federal and state transportation planning and project implementation funding. Primary activities include updating and monitoring implementation of TRPA's Regional Transportation Plan (the transportation element of the regional plan), addressing current challenges and continue to achieve and maintain thresholds, working with local jurisdictions to review and update local area plans, and periodic revisions of the Transportation Improvement Program (TIP). In FY 2024 the Regional Planning Department's key programs were:
    - Transportation (MPO/RTPA)
    - Housing and Community Revitalization (name was changed back to "Long Range Planning" in FY 2025

- The Permitting and Compliance Department works with many private property owners and partner agencies to review project applications that further environmental improvement and economic investments in Lake Tahoe communities. Customer service and timely review of projects is a top priority for this Department to facilitate efficient project implementation by the public and private sectors. Streamlining permit processing is needed to make redevelopment more feasible and successful in reaching the goals of the Regional Plan. Permitting and compliance staff ensure all projects meet the TRPA Code of Ordinances and environmental standards. Primary responsibilities include:
    - Code enforcement, inspection of permitted projects.
    - Monitoring of memorandum of understanding (MOU) partners, and
    - Inspection and enforcement of best management practices to reduce stormwater pollution. The Department also manages Shoreline Plan permitting and compliance.

- TRPA's Environmental Improvement Department leads the Lake Tahoe Environmental Improvement Program (EIP). The EIP is an unparalleled partnership working to achieve the environmental goals and thresholds of the Tahoe Region. Local, state, and federal agencies, private entities, scientists, and the Washoe Tribe of Nevada and California have collaborated for more than 20 years to restore the environmental health of Lake Tahoe. The Department's key programs include managing:
    - The Lake Tahoe EIP, the region-wide, multi-sector capital investment strategy to conduct

a multitude of restoration programs and projects designed to implement the adopted Regional Plan and address environmental concerns in the Tahoe Region.
    - The Lake Tahoe AIS program including preventing new species introduction, treatment to control existing invasive species, as well as lake-wide monitoring and surveillance and emergency response to new infestations.
    - The Water Quality program provides oversight for TRPA's stormwater regulations to reduce polluted stormwater runoff from urban areas and roads and supports watershed restoration to improve lake clarity. Area-wide solutions offer opportunities for the public and private sectors to partner and meet stormwater infiltration and erosion control requirements, generate funding for system maintenance, implement the Lake Tahoe Total Maximum Daily Load (TMDL) Program, and achieve other community goals.
    - The Forest Health program provides collaborative planning and permitting of forest fuel reduction projects to reduce the risk of destructive wildfires and promote the restoration of the forest resources in and across the region's boundaries.

- The Research and Analysis Department continuously tracks the progress and effectiveness of implementing the region's plans, programs, and strategies by monitoring hundreds of environmental threshold standards, performance measures, and management actions. The Research and Analysis Department collaborates with the science community and provides the best possible information for policy decisions, operations, and accountability. Research and Analysis coordinates the 4-year Threshold Evaluation to report on progress toward threshold attainment and directs the agency's development of the LakeTahoeInfo.org platform. The 2023 Threshold Evaluation will be released during FY2025. The Department is transforming the agency's services to a "digital first" strategy and implementing a document preservation project to digitize and make available thousands of legacy paper records.

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

Financial Highlights

Agency Revenues

TRPA revenues for FY 2024 totaled $23.9 million. The State of California's appropriation was $5.0 million, and the State of Nevada's appropriations was $3.1 million. State and local annual commitments represent 35 percent of total revenues. In addition to these annual appropriations, various departments, and agencies of the two states and local organizations contribute to specific projects through grant funding.

Directly funded programs totaled 42 percent of revenues, amounting to $10.1 million from local, state, and federal sources. Major federal contributors include the Department of the Interior, Department of Transportation, Department of Agriculture, US Department of the Treasury, and Environmental Protection Agency. State entities include CalTrans, NDOT, California Water Quality Control Board (Lahontan Region), Nevada Department of Environmental Protection, California Tahoe Conservancy, California Natural Resources Agency, California Department of Boating and Waterways, California Department of Housing

and Community Development, Nevada Division of State Lands, Nevada Department of Wildlife, Nevada Governor's Finance Office and others.

Fees for services amounted to $4.7 million or 20 percent of the agency's revenues. This includes Planning Fees and reimbursed costs from applicants as well as Watercraft Inspection Fees supporting the AIS program and Shoreline fees. It also includes rent revenue from tenants in the TRPA office building.

Agency Expenditures
Total expenditures for FY 2024 were $23.4 million. Staff costs accounted for $8.9 million or 38 percent of the total. Contracts comprised $13.1 million or 56 percent of the total. Financing costs related to interest and principal payments on the bonds for the TRPA office building amounted to $0.5 million or 2 percent of total expenditures. Other costs comprise the $0.9 million balance.

TRPA works closely with other governmental entities in the basin to fund and execute various environmental initiatives. During FY 2024, TRPA passed through:

- $2.3 million in funding to the Tahoe Transportation District.
- $1.3 million to Placer County for implementation of transportation projects and operation of transit systems throughout the basin.
- $1.7 million to the Tahoe Resource Conservation District, a unit of El Dorado County, California for roadside inspections of watercraft as part of the Aquatic Invasive Species program.
- $5.0 million in mitigation funds were passed on to local jurisdictions to fund projects designed to offset the environmental impact of development including $3.7 million for the Motel 6 acquisition.

Fund Balances
The TRPA General Fund Balance increased by $0.9 million during FY 2024. An operational surplus of $0.6 million driven by higher interest income was the largest contributing factor to the increase.

Key Operational Accomplishments in FY 2024

Regional Planning Department
The Regional Planning Department maintains regional plans and coordinates management strategies to implement those regional plans. In FY 2024, the Regional Planning Department, included Transportation Planning and Long Range Planning, formerly Housing and Community Revitalization (HCR). TRPA operates under multiple transportation planning mandates, including serving as the Tahoe Metropolitan Planning Organization (TMPO). Funding for the Department includes TRPA General Funds and transportation grants. TRPA received $1.6 million in grants from the Federal Government and the states of California and Nevada to support these activities. Over $3.5 million of this funding was passed on to transit operators, Placer County, and the Tahoe Transportation District. TRPA incurred $1.3 million in personnel costs and $4.0 million in related to Regional Planning.

Key FY 2024 contributions of the Regional Planning Department include:

- Produced the Transportation Action Plan through a multi-sector partnership working on the development of new sustainable revenue sources for transportation. Approved the "Phase 2:

Affordable and Workforce Housing Amendments," implementing flexible development standards for deed-restricted housing in town centers and multi-family areas, and for accessory dwelling units, and creating new incentives to tie these types of development to stormwater treatment.

- Approved mixed-use, climate, and dark skies amendments, and affordable housing requirements for new subdivision projects.
- Adopted amendments to the Placer Couty Tahoe Basin Area Plan supporting affordable housing and walkable redevelopment, and affordable housing standards in the Incline Village town center.
- Drafted the first Transportation Equity Study for Tahoe. TRPA's environmental justice initiatives seek to identify the needs, concerns, and vulnerabilities of all those living, working, and visiting the Tahoe Basin. The study identified new policies and recommendations to change existing policies to ensure transportation programs, policies, and activities do not disproportionately and adversely affect identified priority communities.
- Completed the 2024 Active Transportation Plan.
- Completed the 2024 Vision Zero Safety Strategy.
- Updated and advanced the Tahoe-Truckee Plug-In Electric Vehicle Readiness Plan's infrastructure installations.
- Convened a new Transportation Performance Technical Advisory Committee comprised of Tahoe's transportation project and program implementors. The committee developed priority transportation metrics to best track on a biennial basis the transportation system. The committee will be making recommendations of how best to adaptively manage the transportation system to achieve all the regional transportation goals in the next fiscal year.
- Continued development and adoption of code amendments in support of Regional Plan effectiveness and policy changes.

Permitting Compliance Department

Permitting and Compliance maintained its record of permit review efficiency. The Department received 1,006 permit applications during FY 2024 and issued 737 permits. Reviews were completed on all applications within 120 days of receiving a complete application meeting TRPA's Code of Ordinances and internal operations performance measure. Fees for services totaled $3.3 million during the fiscal year. TRPA spent $2.3 million on personnel costs and $1.2 million on contracts and operating costs in the Permitting and Compliance Department. Field inspectors performed 642 project inspections during the year, and 1,310 tree removal reviews. The Permitting and Compliance team is mostly funded through planning fees. Beginning in early 2022, the department launched the Permitting Improvement Project to evaluate and streamline TRPA's processes and ordinances. The project includes significant regulatory amendments, administrative and operational efficiency improvements, application fee adjustments, and investment in permitting software and other technologies. The overall objective of the project is to improve customer service, reduce review times, and operate more efficiently and effectively. The Department has received necessary approvals from the TRPA Governing Board and is now in the implementation phase of the project. Notable improvements of the project include dedicated customer service personnel, a new appointment system, shortened review times for minor projects, clarification of project requirements throughout the Code of Ordinances, and a comprehensive Procedure Manual to increase transparency and consistency in project review. As part of the project, the Department has also developed a more robust performance management and cost recovery strategy aimed at identifying future opportunities for efficiency improvements and necessary fee adjustments to ensure the financial sustainability of the Department.

Implementation of the shoreline program approved by the Governing Board in October 2018 continues. Phase 1 of the mooring program, which began during FY 2020, continued for property owners with existing moorings using the registration and permitting system on the Lake Tahoe Info website. During FY 2024, 13 permits were issued for existing mooring buoys which had not been previously authorized by the Agency and since the beginning of the program, TRPA has registered 4,371 mooring buoys, 1,320 boat slips, and 488 boat lifts. In FY 2024, TRPA collected $0.6 million in annual mooring registration and mitigation fees. TRPA distributed 131 mooring allocations and processed 27 mooring lottery submissions this fiscal year. The resulting allocations were distributed by TRPA and will result in future project applications. There were no pier lottery submissions processed in FY 2024 as it is a biannual event, but 12 pier allocations were distributed.

Environmental Improvement Department

TRPA provides strategic leadership of the Lake Tahoe Environmental Improvement Program (EIP) partnership to achieve the environmental and threshold goals of the region. The Environmental Improvement (EIP) Department coordinates 80+ organizational partners to implement the varied programs of the EIP. The partnership is governed by the cross-sector Tahoe Interagency Executive Steering Committee (TIESC) and associated multi-stakeholder working groups. These committees and work groups set project priorities, develop collaborative funding strategies, and guide project implementation. The EIP Department is also responsible for tracking all EIP expenditures and accomplishments basin wide. The EI Department received $4.6 million in grants, $0.8 million in State Funds, and $1.0 million in fees for services. Including General Funds, the Department spent $1.4 million on compensation and $5.2 million on contracts and other expenditures. These numbers include the Aquatic Invasive Species Program, Water Quality and Watersheds Program, and the Forest Health Program numbers called out separately below.

TRPA entered into an agreement with the US Forest Service-Lake Tahoe Basin Management Unit for approximately $5.6 million dollars. This agreement builds capacity for the US Forest Service to use federal funding for the EIP, helping the agency direct funding to non-federal EIP implementors in the Tahoe Basin. TRPA and the US Forest Service collaboratively identified forest health and watersheds/water quality projects for funding using the LTRA prioritization process and list. TRPA staff executed the first round of MOUs with non-federal partners and is currently working on a second round of MOUs for additional projects. Projects to be funded include innovation and technology related to forest health and wildfire risk reduction, capacity building projects, and planning and implementation for watershed restoration.

Key FY 2024 contributions of the Environmental Improvement Department include:

The AIS Program continued implementation of the nationally recognized watercraft inspection program, to prevent introduction and infestation of new invasive species. TRPA oversaw watercraft inspections performed by Tahoe Resource Conservation District (TRCD) at three roadside stations in the Tahoe Basin during the primary boating season and at two launch ramps during the winter months. Trained personnel inspect boats prior to launch at fifteen (15) launch facilities. In FY 2024, TRCD performed 5,667 boat inspections and decontaminated 2,999 boats. TRPA leads highly successful outreach that prepares most boaters to arrive at an inspection station clean, drained, and dry. The states of Nevada and California have contributed funding in the amount of $0.8 million to support the AIS prevention program. TRPA collected $0.9 million in inspection fees. TRPA also received $4.2 million in grants to pay for invasive species control

programs. TRPA incurred $0.5 million in personnel costs and $4.9 million in contract and operating costs related to the AIS Program.

In FY 2024, a new aquatic invasive species, New Zealand mudsnail, was discovered in Lake Tahoe. This was the first time the species was detected in the Tahoe Basin. Following rapid response protocols under the federally approved Lake Tahoe Aquatic Invasive Species Management Plan, an Incident Team was established comprised of staff from the Tahoe Resource Conservation District (Tahoe RCD) and Tahoe Regional Planning Agency (TRPA). The AIS Program coordinated with the Tahoe Science Advisory Council to identify best management practices and recommendations for moving forward, conducted a lake-wide survey and e-DNA monitoring of tributaries, and bolstered public education and outreach regarding clean, drained, and dry. The crisis communications plan implemented to inform and educate partners and the public of the detection and updated protocols surrounding the New Zealand mudsnail discovery won an award from the Public Relations Society of America in 2024.

In FY 2024, the AIS Program also began planning for two permanent inspections stations on the Nevada and California sides of the basin with Bipartisan Infrastructure Law funding. These permanent inspection stations will reinforce the importance of the prevention program in protecting Lake Tahoe while providing better, more efficient customer service.

Aquatic invasive species prevention is coupled with actions to control existing AIS in the lake, this year completing over 105 acres of treatments in Lake Tahoe. Using Lake Tahoe Restoration Act funds, TRPA continued to prioritize work to address the region's largest area of weed infestation in the Tahoe Keys lagoons. The Tahoe Keys Property Owners Association, in partnership with TRPA and the League to Save Lake Tahoe, implemented the second year of the Tahoe Keys Control Methods Test to test innovative approaches to aquatic invasive plant control and eradication. TRPA also continued weed control work just outside of the Tahoe Keys to help control and limit the spread of the infestation into greater Lake Tahoe. These projects are all implemented in partnership with other entities such as Tahoe RCD, the League to Save Lake Tahoe, the US Forest Service, and the University of Nevada Reno.

TRPA's Watersheds & Water Quality Program facilitates and tracks water quality improvements on all developed properties in the Lake Tahoe region. TRPA issues permits either directly or by delegation to implement and/or maintain water quality Best Management Practices (BMPs) on private residences, commercial properties, and developed land owned by public entities (utility districts, local jurisdictions, and USDA Forest Service) in the Tahoe Region. From July 1, 2023, to June 30, 2024, TRPA issued 239 BMP certificates: 198 for single-family residential parcels, 10 for multi-family residential parcels, and 31for commercial parcels. During the same period, TRPA re-issued 63 BMP Certificates with a current date after verifying BMP maintenance. Additionally, the Watersheds and Water Quality Program Manager coordinates the Tahoe Watershed Improvement Group and manages Lake Tahoe Restoration Act funding for watershed restoration projects on non-federal land.

The Forest and Ecosystem Health Program supports the cross-sector Tahoe Fire and Fuels Team (TFFT) partnership (including the USDA Forest Service, state agencies, and local fire districts in the basin) to implement Lake Tahoe's Forest Action Plan and ensure forest health projects are designed and permitted expeditiously in line with the TRPA code of ordinances. TRPA helped form the Tahoe Fire and Fuels Team (TFFT) in 2008 to increase the pace and scale of forest fuel reduction and wildfire protection work. TRPA

has helped TFFT partners complete more than 72,000 acres of fuel reduction treatments in and around Tahoe neighborhoods since the devastating Angora Fire of 2007.

In FY 2024, the Forest Health Program led and coordinated the TFFT retreat to affirm agreement and identify priorities to ensure continued success of the partnership. Staff collaboratively identified an additional 5 non-federal projects for funding with Lake Tahoe Restoration Act funding and began executing MOUs with partners to accomplish critical work related to capacity building, innovation and technology, and planning and implementation. Additionally, in FY 2024, Lake Tahoe Restoration Act funding supported 2 water infrastructure projects that will support fire suppression efforts as needed.

The Tahoe Network of Fire Adapted Communities helped ten neighborhoods receive fire preparedness national recognition from Firewise USA®. Between 2023 and 2024, the number of recognized communities in the Tahoe Basin grew from 31 to 41 neighborhoods. The program continues to identify opportunities to engage community members in leadership roles to address private parcel and neighborhood fire risk and fuels reduction.

TFFT continued public education campaigns to teach residents how to prevent as well as prepare for wildfire. TFFT partners completed a record 9,524 defensible space inspections across jurisdictions.
Agencies are testing out new innovation and technology in the Tahoe Basin including utilization of new software to increase data collection and map risks and priority treatment areas. For example, partners utilized Land Tender for the Community Wildfire Preparedness Plans update and Fire Aside for defensible space inspections. Both software platforms provide opportunities to streamline the planning process while visualizing risk in real-time. Additionally, partners piloted new technology for fuels management from Burnbot, which included demonstration of a remote-controlled masticator on steep terrain with heavy fuels.

Partners including the USDA Forest Service, fire protection districts, and electricity providers continued implementation of utility resilience corridors all around the basin. These projects address fuels reduction and infrastructure hardening along miles of electrical lines with goals including fire risk reduction and forest health improvement. These restoration projects improve the vitality of the basin's forests to withstand the increasing threats of drought and other extreme weather events. In FY 2024, TFFT partners conducted 1,814 acres of forest health treatments, including over 694 acres of pile burning and prescribed fire, to enhance landscape resilience and reduce the threat of catastrophic wildfire. TRPA approved and issued 1,310 tree removal permits to cut 4,240 trees in the region to help achieve defensible space on private parcels. TRPA issued all permits electronically.

Research and Analysis Department
The Research and Analysis Department (R&A) reports on TRPA's planning and implementation programs and regional progress toward threshold attainment. During FY 2024, R&A developed regional dashboards of key census and demographics data, and supported the agency's strategic priorities, including transportation and housing, with data and analysis to assess project, program, and plan effectiveness. Also, during FY 2024, the R&A Department continued a multi-year project to digitize the agency's old paper records by creating permanent electronic records. In FY 2025, the R&A Department will produce the 2023 Threshold Evaluation report and update the Threshold Dashboard on LakeTahoeInfo.org.

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

R&A received $1.3 million in revenue during the fiscal year. This included $1.2 million in grants and $0.1 million in California contributions to the Tahoe Science Advisory Council (TSAC). General funds were used to support long-term monitoring of lake clarity and other environmental indicators, and the ongoing development and maintenance of the LakeTahoeInfo.org platform. During FY 2024, expenses included $1.1 million in personnel and $1.2 million in contract and operating costs. The Tahoe Science Advisory Council spent an additional $0.7 million.

Administrative Financial Highlights

TRPA's strategic priorities—Tahoe Living, Keep Tahoe Moving, and Restoration & Resilience—remains consistent with prior years. TRPA services are available through online processes. Public meetings, including the TRPA Governing Board and Advisory Planning Commission are hybrid, accessible in-person, on-line, or phone-in options for broad accessibility.

Long-term risks have been addressed and funded to the extent possible. There are only two significant long-term liabilities. These are accrued employee paid time off that has not yet been taken and the lease revenue bonds used to finance the building. 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. At this time, there is no pending litigation with significant risk of creating new financial liabilities for the agency.

TRPA's Governing Board approved the FY 2024 budget in June of 2023. Budgets were adopted for the General Fund and certain Special Revenue Funds. The budgets for the Transportation Development Act funds including El Dorado County State Transit Assistance Fund, El Dorado County Local Transportation Fund and Placer County Local Transportation Fund are adopted by the respective counties.

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

Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all of TRPA's assets and liabilities, with the difference between the two reported as Net Position. Over time, increases or decreases in Net Position

may serve as a useful indicator of whether the financial position of the agency is improving or deteriorating.

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

The government-wide financial statements report functions of TRPA that are principally supported by taxes and intergovernmental revenues, including federal and state grants, as governmental activities. The governmental activities of TRPA include administrative services, support services, legal services, environmental improvement, planning, long-range and transportation, and research and analysis.

Reporting the Agency's Most Significant Funds

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

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

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

TRPA maintains twelve individual governmental funds. TRPA has combined the 128 Market Street Building fund, Shoreline fund, Settlement fund, and Permitting Services funds into the General fund for presentation purposes. The General fund, Transportation fund, and Aquatic Invasive Species fund are each considered major Governmental funds and are presented separately. Data from the other governmental

funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the Required Supplementary Information elsewhere in the report.

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

TRPA as a Whole
The Statement of Net Position provides the perspective of TRPA. Table 1 provides a summary that compares the agency's Net Position from FY 2024 to FY 2023.

Table 1 - Summary of Statement of Net Position

	2024	2023	Change	%
Assets				
Current & Other Non-Current Assets	$23,609,204	22,144,055	1,465,149	7%
Capital Assets	7,735,569	8,009,210	(273,641)	-3%
Total Assets	$31,344,773	30,153,265	1,191,508	4%
Liabilities				
Current Liabilities and Other	$12,741,398	12,181,589	559,809	5%
Unearned Revenue	498,835	644,039	(145,204)	-23%
Long Term Liabilities	7,890,938	8,160,382	(269,444)	-3%
Total Liabilities	$21,131,171	20,986,010	145,161	1%
Net Position				
Net Investment in Capital Assets Net of Debt	$ (27,122)	510,500	(537,622)	-105%
Restricted	3,742,906	3,369,155	373,751	11%
Unrestricted	6,092,603	4,666,097	1,426,506	31%
Total Net Position	$ 9,808,387	8,545,752	1,262,635	15%

Assets
Current and Other Noncurrent Assets increased by $1.5 million from $22.1 million on June 30, 2023, to $23.6 million on June 30, 2024. Cash and equivalents increased by $1.0 million driven by interest income and an increase in securities. An increase of $0.6 million in due from other funds offset by $0.2 receivable reduction.

Capital Assets decreased by $0.3 million or 3 percent, from a balance of $8.0 million on June 30, 2023, to a balance of $7.7 million on June 30, 2024. This is due to depreciation.

Liabilities
Current Liabilities increased by $0.6 million or 5 percent from $12.2 million on June 30, 2023, to $12.7 million on June 30, 2024. Accounts Payables decreased by $0.3 million. Deposits Payable increased by $0.3 million, mostly reflective of additional securities received during the fiscal year. Due to other funds increased by $0.4 million. Deferred revenue decreased by $0.1 million. Long-Term Liabilities decreased $0.3 million from 2023 driven by debt payment.

Net Position
Net Investment in Capital Assets net of debt decreased due to depreciation offset by a principal payment and usage of the remainder of the building fund.

Restricted Net Position increased by $0.4 million from $3.4 million as of June 30, 2023, to $3.7 million as of June 30, 2024. The AIS program saw a $0.9 million increase in restricted net position driven by fee receipts in excess of costs and mitigation funds that have not been disbursed yet. Transportation saw a $0.5 million reduction, mostly due to decreases in accounts payables.

Unrestricted Net Position increased by $1.4 million from $4.7 million on June 30, 2023, to $6.1 million on June 30, 2024. This reflects the cumulative effect of all the changes addressed above.

Table 2 summarizes the change in revenue, expenses, and net assets.

Table 2 - Revenue, Expenses, Changes in Net Assets

	2024	2023	Change	%
Revenues				
Program Revenues				
Charges for Services	$ 4,684,138	4,213,937	470,201	11%
Grants and Contributions	9,978,649	11,786,856	(1,808,207)	-15%
General Revenues				
State Revenue	8,256,579	7,310,878	945,701	13%
Local Revenue	150,000	150,000	-	0%
Investment Earnings - Unrestricted	872,534	379,980	492,554	130%
Miscellaneous	1,683	43	1,640	3814%
Total Revenues	$ 23,943,583	23,841,694	101,889	0%
Program Expenses				
General Government	$ 3,467,896	3,424,759	43,137	1%
Env. Planning & Implementation	19,099,515	18,978,329	121,186	1%
Building Operations	-	-	-	0%
Capital Outlay	243,817	318,550	(74,733)	-23%
Interest and Debt Service	547,575	546,989	586	0%
Total Expenses	$ 23,358,803	23,268,627	90,176	0%
Increase (Decrease) in Net Assets	$ 584,780	573,067	11,713	

Program Revenues
Total revenues increased $0.1 million from $23.8 million for the year ended June 30, 2023, to $23.9 million for the year ended June 30, 2024. Charges for Services Revenue increased by $0.5 million, or 11 percent driven by Permitting and Compliance. Grants and Contributions Revenue decreased by $1.8 million, or 15 percent driven by the Aquatic Invasive Species (AIS) and transportation programs. The AIS program saw a $1.4 million grant decrease driven by implementation timing of the Lake Tahoe Restoration Act (LTRA). Transportation grants decreased $0.4 million. State and local revenue increased by $0.9 million or 13 percent between driven by increased state appropriations for salary increases and Nevada step up to get to its one-third share. Investment Earnings increased by $0.5 million due to interest rate increases.

Program Expenses
The cost of all Program Expenses increased by $0.1 million, or 0 percent from $23.3 million for the year ended June 30, 2023, to $23.4 million for the year ended June 30, 2024, driven by environmental improvement, offset by reduction in capital outlay for building expenses in the prior year.

Table 3 provides a summary of the fund balances and changes from the prior year.

Table 3 - Summary of Fund Balances

	2024	2023	Change	%
General Fund	$ 7,128,575	6,235,213	893,362	14%
Aquatic Invasive Species Fund	2,584,227	2,429,400	154,827	6%
Transportation Fund	(25,606)	526,252	(551,858)	-105%
Other Nonmajor Governmental Funds	321,180	232,731	88,449	38%
Total Fund Balance	$10,008,376	9,423,596	584,780	

Fund Balances
TRPA's governmental funds report a combined fund balance of $10.0 million as of June 30, 2024, an increase of $0.6 million from last year. The General Fund balance increased by $0.9 million due to an operational surplus of $0.6 million. The AIS fund increased by $0.2 million driven by fees in excess of costs. TRPA anticipates major investments in AIS going forward to build out two permanent inspection stations and deploy more self-serve non-watercraft decontamination units. The Transportation fund decreased by $0.6 million driven by prior fiscal year expenses.

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

TRPA's Governing Board adopted the FY 2024 budget in June of 2023. The budget contained the following assumptions concerning revenues and expenses:

- California's contribution was unchanged.
- Nevada's contribution was increased to reflect increased in salaries commensurate to the increases provided to employees of the State of Nevada. Nevada also increased its contribution to meet the one-third apportionment in line with the compact.

- The Planning Fund fee for service was increased in line with inflation.

The budget to actual comparison for the General Fund for the year ended June 30, 2024, includes the following items:

- Revenues were $0.9 million higher than budget due to interest income and charges for services.
- Expenditures were $0.3 million under budget due to environmental planning implementation and research and analysis underrun offset by interfund reimbursements.

Capital Assets

For the year ended June 30, 2024, TRPA had $7.7 million invested in capital assets. Table 4 shows June 30, 2024, balances compared to June 30, 2023.

Table 4 - Summary of Capital Assets Net of Depreciation

	2024	2023	Change	%
Land	$1,606,706	1,606,706	-	0%
Buildings & Improvements	10,775,610	10,775,610	-	0%
Boats, Equipment and Furniture	1,872,562	1,766,213	106,349	6%
Software	333,149	333,149	-	0%
Accumulated Depreciation	(6,852,458)	(6,472,468)	(379,990)	6%
Total Capital Assets - Net	$7,735,569	8,009,210	(273,641)	-3%

Overall capital assets decreased by $0.3 million or 3 percent, from $8.0 million for the year ended June 30, 2023, to $7.7 million for the year ended June 30, 2024. This was due to annual depreciation of $0.4 million and investment in equipment of $0.1 million.

Long Term Debt

Table 5 compared the long term debt versus the prior fiscal year.

Table 5 - Summary of Long Term Debt

	2023	2022	Change	%
Lease Revenue Bonds	$7,972,000	8,198,000	(226,000)	-3%
Compensated Absences	852,183	780,733	71,450	9%
Total Long Term Debt	$8,824,183	8,978,733	(154,550)	-2%

TRPA's debt, considered a liability of governmental activities, decreased by $0.2 million for the year ended June 30, 2024. This was due to a $0.2 million principal payment on our Lease Revenue Bonds. Compensated absences increased by $0.0 million.

Factors bearing on TRPA's Future

TRPA receives significant funding from the states of California and Nevada. The compact calls for funding to be split two-thirds California and one-third Nevada. Actual funding can vary depending on each State's budget process. Funding for FY 2025 is secured, and the agency is working with California on the fiscal year 2026 budget and with Nevada on the biennial fiscal year 2026/2027 budget.

The key assumptions in the General Fund revenue and expenditure budget for FY 2024 were:

1. The California appropriated budget was finalized in June of 2024. TRPA has already received these funds for FY 2025.
2. The Nevada appropriated budget was approved by the Legislature in June of 2023, as part of the biennial budget process. TRPA has received its 2025 allocation from Nevada.
3. The local support from the counties is fixed at $150,000 per the Tahoe Regional Planning Compact.
4. Development filing fees and permitting revenues are subject to fluctuations in the real estate and construction economies of the Lake Tahoe Basin. TRPA's budget for FY 2025 assumed a similar level to FY 2024 with increases for inflation. TRPA's Governing Board approved an increase in filing fees at the meeting on October 23, 2024. Fees collected may not equal budgeted totals and represent a 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, 2024
(with comparative prior year information)

	Governmental Activities	
	2024	2023
Assets:		
Cash and investments (note 2)	$ 19,204,799	18,173,288
Cash and investments with fiscal agent (note 2)	187	331
Receivables:		
Accounts	89,884	151,894
Interest	182,269	132,527
Leases (note 4)	418,984	633,790
Due from other governments	3,332,849	2,683,059
Prepaid items	380,232	369,166
Capital assets not being depreciated (note 5)	1,606,706	1,606,706
Capital assets, net of accumulated depreciation (note 5)	6,128,863	6,402,504
Total assets	31,344,773	30,153,265
Liabilities:		
Accounts payable	1,908,174	2,151,576
Accrued payroll and benefits	162,852	152,547
Interest payable	25,691	26,710
Due to other governments	2,035,130	1,598,743
Due to claimants	2,845	2,845
Unearned revenue	498,835	644,039
Deposits payable	7,747,332	7,464,823
Long-term liabilities (note 6):		
Due within one year	859,374	784,345
Due in more than one year	7,890,938	8,160,382
Total liabilities	21,131,171	20,986,010
Deferred inflows of resources:		
Lease related	405,215	621,503
Net position:		
Net investment in capital assets	(27,122)	510,500
Restricted for:		
Environmental implementation	3,738,306	2,778,904
Long range and transportation planning	4,600	590,251
Unrestricted	6,092,603	4,666,097
Total net position	$ 9,808,387	8,545,752

See Notes to the Basic Financial Statements

TAHOE REGIONAL PLANNING AGENCY

Statement of Activities

Year Ended June 30, 2024
(with comparative prior year information)

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:					
General government:					
Administrative services	$ 1,819,597	(728,648)	-	45,832	-
Support services	3,166,136	(1,258,574)	53,758	-	-
Legal services	584,655	(220,802)	122,411	-	-
Environmental planning, implementation, and research and analysis:					
Environmental implementation	6,710,724	292,085	911,265	4,949,417	-
Planning services	2,177,419	1,406,280	3,315,224	890,592	-
Long range and transportation planning	5,906,868	482,035	-	4,659,443	-
Research and analysis	2,516,238	27,624	-	362,277	-
Building and rental activities	243,817	-	345,019	-	-
Interest and fiscal charges	311,556	-	-	-	-
Total governmental activities	$ 23,437,010	-	4,747,677	10,907,561	-
General revenues:					
State revenue					
Local revenue					
Investment earnings, unrestricted					
Miscellaneous					
Total general revenues					
Changes in net position					
Net position, beginning of year, as previously reported					
Restatement for change in acounting principle (note 13)					
Net position, beginning of year, as restated					
Net position, end of year					

See Notes to the Basic Financial Statements

Net (Expense) Revenue and Changes in Net Position	
2024	2023
(1,045,117)	(888,990)
(1,853,804)	(2,072,438)
(241,442)	(218,002)
(1,142,127)	(443,914)
622,117	(134,079)
(1,729,460)	(1,533,931)
(2,181,585)	(1,877,853)
101,202	(660)
(311,556)	(320,606)
(7,781,772)	(7,490,473)
8,036,571	7,125,081
133,619	150,000
872,534	379,980
1,683	43
9,044,407	7,655,104
1,262,635	164,631
8,666,296	8,501,665
(120,544)	(120,544)
8,545,752	8,381,121
$ 9,808,387	8,545,752

See Notes to the Basic Financial Statements

TAHOE REGIONAL PLANNING AGENCY
Governmental Funds

Balance Sheet

June 30, 2024
(with comparative prior year information)

	General	Special Revenue Funds: Transportation Fund	Special Revenue Funds: Aquatic Invasive Species	Non-Major Governmental Funds	Totals: 2024	Totals: 2023
Assets						
Cash and investments	$ 16,642,753	-	2,348,003	214,043	19,204,799	18,173,288
Cash and investments with fiscal agent	187	-	-	-	187	331
Receivables:						
Accounts	89,861	23	-	-	89,884	64,014
Interest	182,269	-	-	-	182,269	132,527
Leases	418,984	-	-	-	418,984	633,790
Due from other governments	265,812	1,326,488	1,373,085	367,464	3,332,849	2,683,059
Due from other funds (note 3)	498,437	-	-	-	498,437	430,944
Prepaid items	377,286	-	2,946	-	380,232	369,166
Total assets	$ 18,475,589	1,326,511	3,724,034	581,507	24,107,641	22,487,119
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable	$ 474,767	144,050	1,067,943	221,414	1,908,174	2,151,576
Accrued payroll and benefits	162,852	-	-	-	162,852	152,547
Due to other funds (note 3)	-	498,437	-	-	498,437	343,064
Due to other governments	2,035,130	-	-	-	2,035,130	1,598,743
Due to claimants	-	-	-	2,845	2,845	2,845
Unearned revenue	423,745	22,153	52,937	-	498,835	644,039
Deposits payable	7,747,332	-	-	-	7,747,332	7,464,823
Total liabilities	10,843,826	664,640	1,120,880	224,259	12,853,605	12,357,637
Deferred inflows of resources:						
Unavailable revenues	97,973	687,477	18,927	36,068	840,445	84,383
Lease related	405,215	-	-	-	405,215	621,503
Total deferred inflows of resources	503,188	687,477	18,927	36,068	1,245,660	705,886
Fund balances:						
Nonspendable:						
Prepaid items	377,286	-	2,946	-	380,232	369,166
Restricted for:						
Environmental implementation	-	-	2,581,281	316,580	2,897,861	2,694,521
Long range and transportation planning	-	-	-	4,600	4,600	590,251
Debt service	187	-	-	-	187	331
Building improvements	-	-	-	-	-	500,000
Unassigned	6,751,102	(25,606)	-	-	6,725,496	5,269,327
Total fund balances	7,128,575	(25,606)	2,584,227	321,180	10,008,376	9,423,596
Total liabilities, deferred inflows of resources, and fund balances	$ 18,475,589	1,326,511	3,724,034	581,507	24,107,641	22,487,119

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, 2024

Fund balances of governmental funds	$ 10,008,376
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	14,588,027
Accumulated depreciation	(6,852,458)
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	(1,013,312)
Lease revenue bonds	(7,737,000)
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.	(25,691)
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.	840,445
Net position of governmental activities	$ 9,808,387

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, 2024
(with comparative prior year information)

	General	Special Revenue Funds: Transportation Fund	Special Revenue Funds: Aquatic Invasive Species	Non-Major Governmental Funds	Totals: 2024	Totals: 2023
Revenues:						
Federal grants	$ -	1,033,418	3,964,161	335,121	5,332,700	6,689,780
State government grants and contracts	7,286,571	577,421	1,016,119	3,978,960	12,859,071	12,073,725
Local government grants and contracts	173,457	20,000	-	-	193,457	484,229
Charges for services	3,396,713	-	896,845	-	4,293,558	3,861,806
Fines and forfeitures	50,000	-	-	-	50,000	37,000
Rental income	340,580	-	-	-	340,580	315,131
Investment income	856,863	-	-	15,671	872,534	379,980
Miscellaneous revenues	1,683	-	-	-	1,683	43
Total revenues	12,105,867	1,630,839	5,877,125	4,329,752	23,943,583	23,841,694
Expenditures:						
Current:						
General government:						
Administrative services	1,800,928	-	-	-	1,800,928	1,435,577
Support services	2,075,107	-	-	-	2,075,107	2,139,117
Legal services	584,655	-	-	-	584,655	562,176
Interfund reimbursements	(992,794)	-	-	-	(992,794)	(712,111)
Environmental planning, implementation and research and analysis:						
Environmental implementation	794,911	-	5,847,761	297,925	6,940,597	6,779,531
Planning services	3,583,699	-	-	-	3,583,699	3,019,443
Long range and transportation planning	467,460	2,311,691	-	3,279,830	6,058,981	6,834,325
Research and analysis	1,846,487	-	-	669,751	2,516,238	2,345,030
Building and rental activities	243,817	-	-	-	243,817	318,550
Debt service:						
Principal payment	235,000	-	-	-	235,000	226,000
Interest and fiscal charges	312,575	-	-	-	312,575	320,989
Total expenditures	10,951,845	2,311,691	5,847,761	4,247,506	23,358,803	23,268,627
Excess (deficiency) of revenues over (under) expenditures	1,154,022	(680,852)	29,364	82,246	584,780	573,067
Other financing sources (uses):						
Transfers in (note 3)	-	128,994	125,463	6,203	260,660	168,587
Transfers out (note 3)	(260,660)	-	-	-	(260,660)	(176,930)
Total other financing sources (uses)	(260,660)	128,994	125,463	6,203	-	(8,343)
Net changes in fund balances	893,362	(551,858)	154,827	88,449	584,780	564,724
Fund balances, beginning of year	6,235,213	526,252	2,429,400	232,731	9,423,596	8,858,872
Fund balances (deficit), end of year	$ 7,128,575	(25,606)	2,584,227	321,180	10,008,376	9,423,596

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, 2024

Net change in fund balances - total governmental funds	$ 584,780
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	(425,754)
Capital asset additions	152,113
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.	
Principal payments for lease revenue bonds	235,000
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.	1,019
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.	(40,585)
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.	756,062
Change in net position of governmental activities	$ 1,262,635

See Notes to the Basic Financial Statements

TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds

Statement of Fiduciary Funds Net Position

June 30, 2024
(with comparative prior year information)

	Custodial Funds	
	2024	2023
Assets:		
Cash and investments	$ 12,269,907	14,458,896
Receivables:		
Interest	113,833	106,702
Due from other governments	393,518	146,427
Total assets	12,777,258	14,712,025
Liabilities:		
Accounts payable	168,701	91,712
Due to other governments	240,431	87,880
Total liabilities	409,132	179,592
Net position:		
Restricted for:		
Water quality	1,979,957	2,659,354
Stream environment zone	1,314,308	1,109,952
Air quality	1,313,258	1,484,904
Mobility mitigation	677,051	369,835
Operations and maintenance	2,310,928	2,031,255
Unrestricted	4,772,624	6,877,133
Total net position	$ 12,368,126	14,532,433

See Notes to the Basic Financial Statements

TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds

Statement of Changes in Fiduciary Funds Net Position

June 30, 2024
(with comparative prior year information)

	Custodial Funds	
	2024	2023
Additions:		
Federal grants	$ 603,930	70,239
State government grants and contracts	124,701	126,705
Charges for services	2,314,580	3,333,193
Investment income	578,253	279,876
Other	8,271	8,343
Total additions	3,629,735	3,818,356
Deductions:		
Environmental implementation	4,450,666	2,883,287
Water quality	1,064,802	904,203
Stream environment zone	-	335,000
Air quality	239,770	75,000
Operations and maintenance	25,000	-
Interest and fiscal charges	13,804	71,005
Total deductions	5,794,042	4,268,495
Net increase (decrease) in fiduciary net position	(2,164,307)	(380,024)
Net position, beginning of year	14,532,433	14,912,457
Net position, end of year	$ 12,368,126	14,532,433

See Notes to the Basic Financial Statements

(This page intentionally left blank)

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

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

(b) Financial Statement Presentation

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

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

(1) Summary of Significant Accounting Policies (Continued)

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

(c) Major Funds

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

TRPA reports the following major governmental funds:

- *General Fund* – The General Fund is the general operating fund of TRPA and is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue include monies provided by the State of California, monies provided by the State of Nevada, and fees for services rendered.

- *Transportation Special Revenue Fund* – This fund is used to account for revenues received from federal and state grants for transportation planning for the entire Lake Tahoe basin.

- *Aquatic Invasive Species Special Revenue Fund* – This fund is used to account for revenue from federal, state and private funding sources utilized towards the detection, control and prevention of aquatic invasive species in the Lake Tahoe region.

Additionally, TRPA reports the following fund type:

Fiduciary Funds

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

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

(1) Summary of Significant Accounting Policies (Continued)

- *CTPRA Indirect Source Fund* – This fund was established during the existence of CTRPA to collect environmental mitigation fees paid by projects directly affecting air quality within the Lake Tahoe Basin. Disbursements from this fund are made by TRPA on behalf of the California Resources Agency with concurrence of the Attorney General to fund air quality projects beneficial to the Lake Tahoe region of California.

- *Excess Coverage Mitigation Fund* – This fund was established to hold environmental mitigation fees collected on behalf of the States of California and Nevada as an offsetting effect to expected impacts on land coverage. The mitigation fees are paid by project applicants in lieu of a reduction of land coverage. Disbursements from this fund are made to the States of California and Nevada to fund land purchases.

- *Custodial Funds* – This fund was established to collect mitigation fees on behalf of various Lake Tahoe basin jurisdictions as an offsetting effect to expected impacts of certain projects within the Lake Tahoe basin. The mitigation fees are paid by project applicants and grouped into air quality, water quality and stream zone environment. Disbursements from this fund are made to Lake Tahoe basin jurisdictions to fund eligible projects that serve to mitigate impacts of development.

- *Science Advisory Council Fund* – The states of California and Nevada established the Tahoe Science Advisory Council (TSAC) in December 2015 by a memorandum of understanding to ensure the best available science informs public policy decisions at Lake Tahoe. The agreement between the Secretary of the California Natural Resources Agency and the Director of the Nevada Department of Conservation and Natural Resources set up an independent group of scientists to work together in an advisory capacity to promote and enhance the use of the best available scientific information on matters of interest to both states. Twelve voting members of TASC include representatives of various California and Nevada research institutions along with the US Geological Survey and the US Forest Service Pacific Southwest Research Station. An Executive Committee oversees the Council and meets annually.

(d) Measurement Focus and Basis of Accounting

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

(1) Summary of Significant Accounting Policies (Continued)

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

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

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

(e) Cash and Investments

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

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

(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:

(1) Summary of Significant Accounting Policies (Continued)

- *Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

- *Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

    - Quoted prices for similar assets or liabilities in active markets;

    - Quoted prices for identical or similar assets or liabilities in markets that are inactive;

    - Inputs other than quoted prices that are observable for the asset or liability; and

    - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- *Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect TRPA's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include TRPA's own data.

(g) Prepaid Items

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

(h) Leases

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

(1) Summary of Significant Accounting Policies (Continued)

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

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

(i) Interfund Transactions

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

(j) Capital Assets

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

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:

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

(k) Deferred Outflows and Inflows of Resources

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

(1) Summary of Significant Accounting Policies (Continued)

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

(l) Unearned Revenue

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

(m) Compensated Absences

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

(n) Long-Term Obligations

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

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

(o) Fund Balances

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

(1) Summary of Significant Accounting Policies (Continued)

- *Nonspendable* – includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

- *Restricted* – includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. If the Board action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.

- *Committed* – includes amounts that can be used only for the specific purposes determined by a formal action of the Board. It includes legislation (Board action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if the Board action limiting the use of the funds is separate from the action (legislation) that created (enabled) the funding source, then it is committed, not restricted. For TRPA, a resolution is the highest level of decision-making authority that is used to establish a commitment of fund balance.

- *Assigned* – includes amounts that are designated or expressed by the Board but does not require a formal action like a resolution or ordinance. The Board has delegated the ability to assign uses of specific funds for specific purposes to the Executive Director and the Finance Director.

- *Unassigned* – includes the remaining spendable amounts which are not included in one of the other classifications.

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

(p) Net Position

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

- *Net investment in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- *Restricted net position* – represents the net position that is not accessible for general use because their use is subject to restrictions enforceable by third parties.

(1) Summary of Significant Accounting Policies (Continued)

- *Unrestricted net position* – represents those assets that are available for general use.

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

(q) Use of Estimates

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

(r) Prior Year Data

Selected information from the prior years has been included in the accompanying financial statements in order to provide an understanding of changes in TRPA's financial position and operations. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with TRPA's financial statements for the year ended June 30, 2023, 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 amounts.

(2) Cash and Investments

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	$ 19,204,799
Cash and investments with fiscal agent	187
Fiduciary Funds:	
Cash and investments	12,269,907
Total cash and investments	$ 31,474,893

(2) Cash and Investments (Continued)

Cash and investments as of June 30, 2024 consist of the following:

Deposits with financial institutions	$ 4,818,230
Investments	26,656,663
Total cash and investments	$ 31,474,893

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

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

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

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

Investments Authorized by Debt Agreements

Investment of debt proceeds held by the fiscal agent is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code, Nevada Revised Statutes or TRPA's investment policy. As of June 30, 2024, there was $187 held by the Trustee in trust that will be applied to future principal and interest payments for the 2020 Lease revenue Refunding Bonds.

(2) Cash and Investments (Continued)

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.

		Maturities (in Months)		
	Total	12 or less	13-24	25-36
U.S. Treasury Securities	$ 9,319,005	4,065,355	4,039,682	1,213,968
Medium Term Notes	2,379,277	944,456	938,096	496,725
Local Agency Investment Fund (LAIF)	12,885,050	12,885,050	-	-
Local Government Investment Pool (LGIP)	1,251,656	1,251,656	-	-
Money Market Funds	821,488	821,488	-	-
Investments with fiscal agent:				
Money Market Funds	187	187	-	-
Total Investments	$ 26,656,663	19,968,192	4,977,778	1,710,693

Disclosures Relating to Credit Risk

Credit risk is the risk that the 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.

(2) Cash and Investments (Continued)

	Total	Minimum Legal Rating	Ratings as of Year End AAA	AA+ - AA-	A+ - A-	Not Rated
U.S. Treasury Securities	$ 9,319,005	N/A*	-	-	-	9,319,005
Medium Term Notes	2,379,277	A	-	198,844	2,180,433	-
LAIF	12,885,050	N/A	-	-	-	12,885,050
LGIP	1,251,656	N/A	-	-	-	1,251,656
Money Market Funds	821,488	Multiple**	821,488	-	-	-
Investments with fiscal agent:						
Money Market Funds	187	AAA-m	187	-	-	-
Total investments	$ 26,656,663		821,675	198,844	2,180,433	23,455,711

* - Exempt from disclosure

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

Concentration of Credit Risk

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

Custodial Credit Risk

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

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

(2) Cash and Investments (Continued)

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

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

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

Investment in State Investment Pools

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

Investment in County Investment Pool

Funds invested in county investment pools represent Local Transportation Funds and State Transportation Assistance Funds under the Transportation Development Act that are held by the Counties of El Dorado and Placer, who receive the funds from the State of California on behalf of TRPA. The fair value of TRPA's investment in these pools is 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.

(2) Cash and Investments (Continued)

Fair Value Measurement and Application

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

		Fair Value Hierarchy		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices for Similar Assets in Active Markets (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
U.S. Treasury Securities	$ 9,319,005	9,319,005	-	-
Medium Term Notes	2,379,277	-	2,379,277	-
Money Market Funds	821,675	821,675	-	-
Total investments measured at fair value	12,519,957	10,140,680	2,379,277	-
Investments not measured at fair value:				
LAIF	12,885,050			
LGIP	1,251,656			
Total Investments not measured at fair valu	14,136,706			
Total Investments	$ 26,656,663			

(3) Interfund Transactions

Interfund Receivables and Payables

Interfund receivable and payable balances as of June 30, 2024 are as follows:

Due To	Due From	Amount
General Fund	Transportation Fund	$ 498,437

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

(3) Interfund Transactions (Continued)

Interfund Transfers

Interfund transfers consisted of the following for the year ended June 30, 2024:

Transfers In	Transfers Out	Amount
Transportation Fund	General Fund	$ 128,994
Aquatic Invasive Species Fund	General Fund	125,463
Nonmajor Governmental Funds	General Fund	6,203
Total		$ 260,660

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

(4) Leases Receivable

TRPA is a lessor in four non-cancellable leases for office space rental. The leases require monthly payments ranging from $3,014 to $6,864. Interest is calculated at 2.50% per year. TRPA recognized $214,806 in lease revenue and $13,406 in interest revenue during the current fiscal year related to these agreements. As of June 30, 2024, the lease receivable is $418,984 and deferred inflows of resources is $405,215.

(5) Capital Assets

Capital asset activity for the year ended June 30, 2024 is as follows:

	Balance at June 30, 2023	Additions	Deletions	Balance at June 30, 2024
Capital assets not being depreciated:				
Land	$ 1,606,706	-	-	1,606,706
Total capital assets not being depreciated	1,606,706	-	-	1,606,706
Capital assets being depreciated:				
Buildings and improvements	10,775,610	-	-	10,775,610
Boats, equipment and furniture	1,766,213	152,113	(45,764)	1,872,562
Software	333,149	-	-	333,149
Total capital assets being depreciated	12,874,972	152,113	(45,764)	12,981,321
Less accumulated depreciation for:				
Buildings and improvements	4,603,668	274,855	-	4,878,523
Boats, equipment and furniture	1,599,323	96,814	(45,764)	1,650,373
Software	269,477	54,085	-	323,562
Total accumulated depreciation	6,472,468	425,754	(45,764)	6,852,458
Capital assets being depreciated, net	6,402,504	(273,641)	-	6,128,863
Total capital assets	$ 8,009,210	(273,641)	-	7,735,569

Depreciation expense was charged to functions as follows:

General Government:	
Support services	$ 363,542
Environmental Planning, Implementation and Measurement and Reporting:	
Development Services	1,557
Environmental Implementation	58,255
Planning Services	2,400
Total depreciation expense	$ 425,754

(6) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	Balance at June 30, 2023, as restated	Additions	Deletions	Balance at June 30, 2024	Amount Due in One Year
2020 Series A Lease Revenue Bonds	$ 7,396,000	-	-	7,396,000	-
2020 Series B Lease Revenue Bonds	576,000	-	(235,000)	341,000	243,000
Compensated absences	972,727	1,004,077	(963,492)	1,013,312	616,374
Total	$ 8,944,727	1,004,077	(1,198,492)	8,750,312	859,374

Compensated absences as of June 30, 2023 was restated as a result of the implementation of Governmental Accounting Standards Board (GASB) Statement No. 101 *Compensated Absences*. See note 13 for additional information.

Lease Revenue Refunding Bonds

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

Annual debt service requirements to maturity are as follows:

	Series A Bonds		
Year Ending June 30	Principal	Interest	Total
2025	$ -	295,840	295,840
2026	156,000	292,720	448,720
2027	262,000	284,360	546,360
2028	272,000	273,680	545,680
2029	283,000	262,580	545,580
2030-2034	1,593,000	1,130,300	2,723,300
2035-2039	1,940,000	778,080	2,718,080
2040-2044	2,360,000	349,400	2,709,400
2045	530,000	10,600	540,600
Total	$ 7,396,000	3,677,560	11,073,560

(6) Long-Term Liabilities (Continued)

	Series B Bonds		
Year Ending June 30	Principal	Interest	Total
2025	$ 243,000	8,012	251,012
2026	98,000	1,789	99,789
Total	$ 341,000	9,801	350,801

Compensated Absences

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

(7) Pledged Revenue

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

Description of Pledged Revenue	Annual Amount of Pledged Revenue	Annual Debt Service Payments (of all Debt Secured by this Revenue)	Debt Service as a Percentage of Pledged Revenue
Rental Income	$ 340,580	546,852	161.00%

(8) Defined Contribution Pension Plan

Plan Description

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

(8) Defined Contribution Pension Plan (Continued)

Contributions

TRPA contributes 8% of the employees' pay to the SSRP plan. Employer contributions are in lieu of contributing to Social Security. TRPA contributes 7% to the 401(a) plan. Employee contributions to the 457(b) plan are limited by IRS regulations, updated annually. Benefit provisions are established and may be amended by TRPA's Board of Directors. During the fiscal year ended June 30, 2024, TRPA contributed $536,936 to the SSRP, $448,705 to the 401(a) plan and employees contributed $684,449 to the 457(b) plan.

(9) Risk Management

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

(10) 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.

(11) Economic Dependency

During the fiscal year ended June 30, 2024, approximately 63% of TRPA's total revenue was derived from federal, state, and local government agencies.

(12) Deficit Fund Equity

The Transportation Fund had a deficit fund balance of $25,606, and the Science Advisory Council Fund had a deficit net position of $12,323 as of June 30, 2024. These deficits will be cured with the receipt of amounts due from other governments.

(13) Prior Period Adjustments

During fiscal year ended June 30, 2024, TRPA adopted new accounting guidance by implementing the provisions of GASB 101. As a result of this implementation, additional compensated absences resulted from the addition of payroll-related taxes and benefits associated with the accrued leave. The following summary schedule summarizes the net effects on beginning fund balance and net position as follows:

	Governmental Activities
Net position as of June 30, 2023, as previosuly reported	$ 8,666,296
Implementation of GASB 101	(120,544)
Net position as of June 30, 2023, as restated	$ 8,545,752

REQUIRED SUPPLEMENTARY INFORMATION

(This page intentionally left blank)

TAHOE REGIONAL PLANNING AGENCY
General Fund

Budgetary Comparison Schedule

Year Ended June 30, 2024

	Budgeted Amounts			Variances with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
State government grants and contracts	$ 7,386,571	7,386,571	7,286,571	(100,000)
Local government grants and contracts	200,000	200,000	173,457	(26,543)
Charges for services	3,026,496	3,026,496	3,396,713	370,217
Fines and forfeitures	150,000	150,000	50,000	(100,000)
Rental income	325,943	325,943	340,580	14,637
Investment income	100,000	100,000	856,863	756,863
Miscellaneous revenues	-	-	1,683	1,683
Total revenues	11,189,010	11,189,010	12,105,867	916,857
Expenditures:				
Current:				
General government:				
Administrative services	1,693,423	1,693,423	1,800,928	(107,505)
Support services	2,268,195	2,268,195	2,075,107	193,088
Legal services	619,792	619,792	584,655	35,137
Interfund reimbursements	(2,244,081)	(2,244,081)	(992,794)	(1,251,287)
Environmental planning, implementation, and research and analysis:				
Environmental implementation	685,216	685,216	794,911	(109,695)
Planning services	4,297,856	4,297,856	3,583,699	714,157
Long range and transportation planning	796,450	796,450	467,460	328,990
Research and analysis	2,363,467	2,363,467	1,846,487	516,980
Building and rental activities	227,512	227,512	243,817	(16,305)
Debt service:				
Principal payment	235,000	235,000	235,000	-
Interest and fiscal charges	312,575	312,575	312,575	-
Total expenditures	11,255,405	11,255,405	10,951,845	303,560
Excess (deficiency) of revenues over (under) expenditures	(66,395)	(66,395)	1,154,022	1,220,417
Other financing sources (uses):				
Transfers out	(254,280)	(254,280)	(260,660)	(6,380)
Total other financing sources (uses)	(254,280)	(254,280)	(260,660)	(6,380)
Net change in fund balance	(320,675)	(320,675)	893,362	1,214,037
Fund balance, beginning of year	6,235,213	6,235,213	6,235,213	-
Fund balance, end of year	$ 5,914,538	5,914,538	7,128,575	1,214,037

See Note to Required Supplementary Information

TAHOE REGIONAL PLANNING AGENCY
Transportation Fund

Budgetary Comparison Schedule

Year Ended June 30, 2024

	Budgeted Amounts			Variances with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Federal grants	$ 2,086,809	2,086,809	1,033,418	(1,053,391)
State government grants and contracts	1,426,671	1,426,671	577,421	(849,250)
Local government grants and contracts	2,500	2,500	20,000	17,500
Total revenues	3,515,980	3,515,980	1,630,839	(1,885,141)
Expenditures:				
Current:				
Environmental planning, implementation, and research and analysis:				
Long range and transportation planning	3,660,184	3,660,184	2,311,691	1,348,493
Excess (deficiency) of revenues over (under) expenditures	(144,204)	(144,204)	(680,852)	(536,648)
Other financing sources:				
Transfers in	144,207	144,207	128,994	(15,213)
Net change in fund balance	3	3	(551,858)	(551,861)
Fund balance, beginning of year	526,252	526,252	526,252	-
Fund balance (deficit), end of year	$ 526,255	526,255	(25,606)	(551,861)

See Note to Required Supplementary Information

TAHOE REGIONAL PLANNING AGENCY
Aquatic Invasive Species Fund

Budgetary Comparison Schedule

Year Ended June 30, 2024

	Budgeted Amounts			Variances with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Federal grants	$ 5,451,585	5,451,585	3,964,161	(1,487,424)
State government grants and contracts	1,243,179	1,243,179	1,016,119	(227,060)
Charges for services	896,947	896,947	896,845	(102)
Total revenues	7,591,711	7,591,711	5,877,125	(1,714,586)
Expenditures:				
Current:				
Environmental planning, implementation, and research and analysis:				
Environmental implementation	7,675,791	7,675,791	5,847,761	1,828,030
Excess (deficiency) of revenues over (under) expenditures	(84,080)	(84,080)	29,364	113,444
Other financing sources:				
Transfers in	84,079	84,079	125,463	41,384
Net change in fund balance	(1)	(1)	154,827	154,828
Fund balance, beginning of year	2,429,400	2,429,400	2,429,400	1,035,413
Fund balance, end of year	$ 2,429,399	2,429,399	2,584,227	1,190,241

See Note to Required Supplementary Information

(This page intentionally left blank)

TAHOE REGIONAL PLANNING AGENCY

Note to Required Supplementary Information

Year Ended June 30, 2024

(1) Budgetary Data

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

1. By September 30 of each calendar year, TRPA management submits a proposed operating and capital improvement budget to the Board of Directors for the fiscal year commencing the following July 1. The budget includes the proposed expenditures and means of financing them. In order to obtain state funding, TRPA must submit budget requests to the State of California annually and the State of Nevada biannually.

2. The budget is legally enacted through adoption of a resolution by the Board of Directors.

3. TRPA's Executive Director is authorized to implement the programs as approved in the adopted budget. Within a specific fund, the Executive Director or his designee may transfer appropriations between categories, departments, projects and programs as needed to implement the adopted budget, whereas the Board of Directors must authorize budget increases and decreases, and transfers between funds. Therefore, the legal level of budgetary control is at the fund level.

4. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets were adopted for the General Fund and certain Special Revenue Funds. The budgets for the El Dorado County State Transit Assistance Fund, El Dorado County Local Transportation Fund and Placer County Local Transportation Fund are adopted by the respective County's jurisdictions.

(This page intentionally left blank)

SUPPLEMENTARY SCHEDULES

TAHOE REGIONAL PLANNING AGENCY
General Fund

Combining Balance Sheet

Year Ended June 30, 2024

	General Fund	128 Market Street Building	Shoreline	Settlements
Assets				
Cash and investments	$ 11,099,847	2,476,983	895,675	150,651
Cash and investments with fiscal agent	-	187	-	-
Receivables:				
Accounts	76,240	12,121	-	-
Interest	155,600	-	8,023	-
Leases	-	418,984	-	-
Due from other governments	256,812	-	-	-
Due from other funds	498,437	-	-	-
Prepaid items	346,731	30,555	-	-
Total assets	$ 12,433,667	2,938,830	903,698	150,651
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	$ 410,739	14,792	29,039	9,500
Accrued payroll and benefits	162,852	-	-	-
Due to other governments	4,350	-	-	-
Unearned revenue	415,979	-	-	-
Deposits payable	7,722,442	24,890	-	-
Total liabilities	8,716,362	39,682	29,039	9,500
Deferred inflows of resources:				
Unavailable revenue	80,852	12,121	-	-
Lease related	-	405,215	-	-
Total deferred inflows of resources	80,852	417,336	-	-
Fund balances:				
Nonspendable:				
Prepaid items	346,731	30,555	-	-
Restricted for:				
Debt service	-	187	-	-
Unassigned	3,289,722	2,451,070	874,659	141,151
Total fund balances	3,636,453	2,481,812	874,659	141,151
Total liabilities, deferred inflows of resources, and fund balances	$ 12,433,667	2,938,830	903,698	150,651

Charitable Contributions	Mitigation	Total
7,463	2,012,134	16,642,753
-	-	187
1,500.00	-	89,861
-	18,646	182,269
-	-	418,984
9,000	-	265,812
-	-	498,437
-	-	377,286
17,963	2,030,780	18,475,589
10,697	-	474,767
-	-	162,852
-	2,030,780	2,035,130
7,766	-	423,745
-	-	7,747,332
18,463	2,030,780	10,843,826
5,000	-	97,973
-	-	405,215
5,000	-	503,188
-	-	377,286
-	-	187
(5,500)	-	6,751,102
(5,500)	-	7,128,575
17,963	2,030,780	18,475,589

TAHOE REGIONAL PLANNING AGENCY
General Fund

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2024

	General Fund	128 Market Street Building	Shoreline	Settlements
Revenues:				
State government grants and contracts	$ 7,286,571	-	-	-
Local government grants and contracts	133,619	-	-	3,600
Charges for services	3,000,494	4,439	391,780	-
Fines and forfeitures	-	-	-	50,000
Rental income	-	1,029,560	-	-
Investment income	820,135	3,467	33,261	-
Miscellaneous revenues	1,683	-	-	-
Total revenues	11,242,502	1,037,466	425,041	53,600
Expenditures:				
Current:				
General Government:				
Administrative services	1,560,645	-	-	162,886
Support services	1,978,444	96,663	-	-
Legal services	584,655	-	-	-
Interfund reimbursements	(2,399,074)	-	-	-
Environmental planning, implementation, and research and analysis:				
Environmental implementation	794,911	-	-	-
Planning services	4,772,195	-	217,784	-
Long range and transportation planning	467,460	-	-	-
Research and analysis	1,846,487	-	-	-
Building and rental activities	688,980	243,817	-	-
Debt service:				
Principal	-	235,000	-	-
Interest and fiscal charges	-	312,575	-	-
Total expenditures	10,294,703	888,055	217,784	162,886
Excess (deficiency) of revenues over (under) expenditures	947,799	149,411	207,257	(109,286)
Other financing sources (uses):				
Transfers in	-	-	-	108,186
Transfers out	(405,004)	-	-	-
Total other financing sources (uses)	(405,004)	-	-	108,186
Net change in fund balances	542,795	149,411	207,257	(1,100)
Fund balances (deficit), beginning of year	3,093,658	2,332,401	667,402	142,251
Fund balances (deficit), end of year	$ 3,636,453	2,481,812	874,659	141,151

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

Charitable Contributions	Mitigation	Eliminations (1)	Total
-	-	-	7,286,571
36,238	-	-	173,457
-	-	-	3,396,713
-	-	-	50,000
-	-	(688,980)	340,580
-	-	-	856,863
-	-	-	1,683
36,238	-	(688,980)	12,105,867
77,397	-	-	1,800,928
-	-	-	2,075,107
-	-	-	584,655
-	-	1,406,280	(992,794)
-	-	-	794,911
-	-	(1,406,280)	3,583,699
-	-	-	467,460
-	-	-	1,846,487
-	-	(688,980)	243,817
-	-	-	235,000
-	-	-	312,575
77,397	-	(688,980)	10,951,845
(41,159)	-	-	1,154,022
36,158	-	(144,344)	-
-	-	144,344	(260,660)
36,158	-	-	(260,660)
(5,001)	-	-	893,362
(499)	-	-	6,235,213
(5,500)	-	-	7,128,575

TAHOE REGIONAL PLANNING AGENCY
Non-Major Governmental Funds

Combining Balance Sheet

June 30, 2024

(with comparative prior year information)

	Special Revenue Funds		
	Environmental Improvement Program	Erosion Control Fund	El Dorado County Local Transportation Fund
Assets			
Cash and investments	$ 95,360	114,083	106
Due from other governments	279,049	88,415	-
Total assets	$ 374,409	202,498	106
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	$ 201,589	19,825	-
Due to other funds (note 3)	-	-	-
Due to claimants	-	2,845	-
Total liabilities	201,589	22,670	-
Deferred inflows of resources:			
Unavailable revenues	34,574	1,494	-
Fund balances (deficit):			
Restricted for:			
Environmental implementation	138,246	178,334	-
Long range and transportation planning	-	-	106
Unassigned	-	-	-
Total fund balances (deficit)	138,246	178,334	106
Total liabilities, deferred inflows of resources, and fund balances	$ 374,409	202,498	106

Special Revenue Funds			
Placer County Local Transportation Fund	El Dorado County State Transit Assistance Fund	Totals 2024	2023
4,047	447	214,043	229,335
-	-	367,464	389,752
4,047	447	581,507	619,087
-	-	221,414	143,626
-	-	-	239,885
-	-	2,845	2,845
-	-	224,259	386,356
-	-	36,068	-
-	-	316,580	266,521
4,047	447	4,600	63,999
-	-	-	(97,789)
4,047	447	321,180	232,731
4,047	447	581,507	619,087

TAHOE REGIONAL PLANNING AGENCY
Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2024

(with comparative prior year information)

	Special Revenue Funds		
	Environmental Improvement Program	Erosion Control Fund	El Dorado County Local Transportation Fund
Revenues:			
Federal grants	$ 179,705	155,416	-
State government grants and contracts	676,411	-	1,297,442
Investment income	-	-	5,797
Total revenues	856,116	155,416	1,303,239
Expenditures:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	137,412	160,513	-
Long range and transportation planning	-	-	1,303,201
Research and analysis	669,751	-	-
Total expenditures	807,163	160,513	1,303,201
Excess (deficiency) of revenues over (under) expenditures	48,953	(5,097)	38
Other financing sources:			
Transfers in	2,599	3,604	-
Total other financing sources	2,599	3,604	-
Net change in fund balances	51,552	(1,493)	38
Fund balances (deficit), beginning of year	86,694	179,827	68
Fund balances, end of year	$ 138,246	178,334	106

Special Revenue Funds			
Placer County Local Transportation Fund	El Dorado County State Transit Assistance Fund	Totals 2024	Totals 2023
-	-	335,121	31,490
643,938	1,361,169	3,978,960	4,124,735
4,762	5,112	15,671	13,583
648,700	1,366,281	4,329,752	4,169,808
-	-	297,925	73,970
546,864	1,429,765	3,279,830	3,925,264
-	-	669,751	563,956
546,864	1,429,765	4,247,506	4,563,190
101,836	(63,484)	82,246	(393,382)
-	-	6,203	5,673
-	-	6,203	5,673
101,836	(63,484)	88,449	(387,709)
(97,789)	63,931	232,731	620,440
4,047	447	321,180	232,731

TAHOE REGIONAL PLANNING AGENCY
Environmental Improvement Program

Budgetary Comparison Schedule

Year Ended June 30, 2024

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Federal grants	$ 3,401,883	179,705	(3,222,178)
State government grants and contracts	684,341	676,411	(7,930)
Total revenues	4,086,224	856,116	(3,230,108)
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	3,369,885	137,412	3,232,473
Research and analysis	720,200	669,751	50,449
Total expenditures	4,090,085	807,163	3,282,922
Excess (deficiency) of revenues over (under) expenditures	(3,861)	48,953	52,814
Other financing sources (uses):			
Transfers in	3,855	2,599	(1,256)
Net change in fund balance	(6)	51,552	51,558
Fund balance, beginning of year	160,835	86,694	(74,141)
Fund balance, end of year	$ 160,829	138,246	(22,583)

TAHOE REGIONAL PLANNING AGENCY
Erosion Control Fund

Budgetary Comparison Schedule

Year Ended June 30, 2024

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Federal grants	$ 291,625	155,416	(136,209)
Total revenues	291,625	155,416	(136,209)
Expenditures:			
Current:			
Environmental planning, implementation, and research and analysis:			
Environmental implementation	291,949	160,513	131,436
Total expenditures	291,949	160,513	131,436
Excess (deficiency) of revenues over (under) expenditures	(324)	(5,097)	(4,773)
Other financing sources:			
Transfers in	325	3,604	3,279
Net change in fund balance	1	(1,493)	(1,494)
Fund balance, beginning of year	179,827	179,827	-
Fund balance, end of year	$ 179,828	178,334	(1,494)

TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds

Combining Statement of Fiduciary Funds Net Position

June 30, 2024
(with comparative prior year information)

	Custodial Funds		
	CTRPA Tahoe Keys	CTRPA Indirect Source	Excess Coverage Mitigation
Assets:			
Cash and investments	$ 459,466	9,771	4,272,359
Receivables:			
Interest	4,321	92	38,938
Due from other governments	-	-	-
Total assets	$ 463,787	9,863	4,311,297
Liabilities:			
Accounts payable	$ -	-	-
Due to other governments	-	-	-
Total liabilities	-	-	-
Net position:			
Restricted for:			
Water quality	-	-	-
Stream environment zone	-	-	-
Air quality	-	-	-
Mobility mitigation	-	-	-
Operations and maintenance	-	-	-
Unrestricted	463,787	9,863	4,311,297
Total net position	$ 463,787	9,863	4,311,297

Custodial Funds		Totals	
Custodial Funds	Science Advisory Council	2024	2023
7,525,020	3,291	12,269,907	14,458,896
70,482	-	113,833	106,702
-	393,518	393,518	146,427
7,595,502	396,809	12,777,258	14,712,025
-	168,701	168,701	91,712
-	240,431	240,431	87,880
-	409,132	409,132	179,592
1,979,957	-	1,979,957	2,659,354
1,314,308	-	1,314,308	1,109,952
1,313,258	-	1,313,258	1,484,904
677,051		677,051	369,835
2,310,928	-	2,310,928	2,031,255
-	(12,323)	4,772,624	6,877,133
7,595,502	(12,323)	12,368,126	14,532,433

TAHOE REGIONAL PLANNING AGENCY
Fiduciary Funds

Combining Statement of Changes in Fiduciary Funds Net Position

Year Ended June 30, 2024
(with comparative prior year information)

	Custodial Funds		
	CTRPA Tahoe Keys	CTRPA Indirect Source	Excess Coverage Mitigation
Additions:			
Federal grants	$ -	-	-
State government grants and contracts	-	-	-
Charges for service	-	-	1,367,457
Investment income	19,755	420	221,623
Other	-	-	-
Total additions	19,755	420	1,589,080
Deductions:			
Environmental implementation	-	-	3,703,541
Water quality	-	-	-
Stream environment zone	-	-	-
Air quality	-	-	-
Operations and maintenance	-	-	-
Interest and fiscal charges	-	-	-
Total deductions	-	-	3,703,541
Net changes in fiduciary net position	19,755	420	(2,114,461)
Net position (deficit), beginning of year	444,032	9,443	6,425,758
Net position (deficit), end of year	$ 463,787	9,863	4,311,297

Custodial Funds		Totals	
Custodial Funds	Science Advisory Council	2024	2023
-	603,930	603,930	70,239
-	124,701	124,701	196,820
947,123	-	2,314,580	3,333,193
336,455	-	578,253	279,876
-	8,271	8,271	8,343
1,283,578	736,902	3,629,735	3,888,471
-	747,125	4,450,666	2,883,287
1,064,802	-	1,064,802	904,203
-	-	-	335,000
239,770	-	239,770	75,000
25,000	-	25,000	-
13,804	-	13,804	71,005
1,343,376	747,125	5,794,042	4,268,495
(59,798)	(10,223)	(2,164,307)	(380,024)
7,655,300	(2,100)	14,532,433	14,912,457
7,595,502	(12,323)	12,368,126	14,532,433

(This page intentionally left blank)

TAHOE REGIONAL PLANNING AGENCY

Single Audit Report on Federal Awards

Year Ended June 30, 2024

TAHOE REGIONAL PLANNING AGENCY

Single Audit Report on Federal Awards

Year Ended June 30, 2024

TABLE OF CONTENTS

	Page
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	1
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3
Schedule of Expenditures of Federal Awards	7
Note to the Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9
Summary Schedule of Prior Audit Findings	12

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tahoe Regional Planning Agency
Stateline, Nevada

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tahoe Regional Planning Agency (TRPA), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise TRPA's basic financial statements, and have issued our report thereon dated January 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered TRPA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of TRPA's internal control. Accordingly, we do not express an opinion on the effectiveness of TRPA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified one deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether TRPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

TRPA's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the TRPA's response to the finding identified in our audit and described in the accompanying Findings and Responses. TRPA's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Farr LLP

Irvine, California
January 14, 2025

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tahoe Regional Planning Agency
Stateline, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Tahoe Regional Planning Agency's (TRPA's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on TRPA's major federal programs for the year ended June 30, 2024. TRPA's major federal programs are identified in the Summary of Auditor's Results Section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, TRPA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of TRPA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of TRPA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to TRPA's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on TRPA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about TRPA's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding TRPA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of TRPA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of TRPA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on TRPA's response to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. TRPA's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on TRPA's response to the internal control over compliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. TRPA's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of TRPA as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise TRPA's basic financial statement. We issued our reported thereon dated January 14, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial

statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Davis Farr LLP

Irvine, California
January 14, 2025

TAHOE REGIONAL PLANNING AGENCY

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program/Cluster Title	Catalog of Federal Domestic Assistance Number	Program Identification Number	Federal Expenditures
U.S. Department of Interior:			
Direct program:			
U.S. Fish & Wildlife Service:			
Fish and Wildlife Management Assistance	15.608	F18AP00268	$ 35,500
Fish and Wildlife Management Assistance	15.608	F22AP02735	76,074
Fish and Wildlife Management Assistance	15.608	F22AC02949	1,286,199
Fish and Wildlife Management Assistance	15.608	F23AC01986	689,562
Fish and Wildlife Management Assistance	15.608	F22AC02954	409,083
Total Fish and Wildlife Management Assistance			2,496,418
Invasive Species	15.652	F20AC11339-00	1,013,063
Fish and Wildlife Coordination and Assistance	15.664	F21AC03787	263,038
Total U.S. Department of Interior			3,772,519
U.S. Department of Agriculture:			
Direct program:			
U.S. Forest Service:			
Watershed Restoration and Enhancement Agreement Authority	10.693	19-PA-11051900-017	40,319
Watershed Restoration and Enhancement Agreement Authority	10.693	19-PA-11051900-019	195,282
Watershed Restoration and Enhancement Agreement Authority	10.693	20-PA-11051900-012	101,519
Watershed Restoration and Enhancement Agreement Authority	10.693	20-PA-11051900-019	213,646
Watershed Restoration and Enhancement Agreement Authority	10.693	23-PA-11051900-019	10,168
Total Watershed Restoration and Enhancement Agreement Authority			560,934
Lake Tahoe Erosion Control Grant Program	10.690	20-PA-11051900-021	89,036
Lake Tahoe Erosion Control Grant Program	10.690	20-PA-11051900-022	50,669
Total Lake Tahoe Erosion Control Grant Program			139,705
Total U.S Department of Agriculture			700,639
U.S. Department of Transportation:			
Passed-through California Department of Transportation:			
Highway Planning and Construction	20.205	MFTA74A0824	756,316
Passed-through Nevada Department of Transportation:			
Highway Planning and Construction	20.205	PR185-23-802	394,546
Passed-through California Department of Transportation:			
Highway Planning and Construction	20.205	PR185-23-802	55,814
Passed-through California Department of Transportation:			
Metropolitan Transportation Planing and State and Non-Metropolitan Planning and Research	20.505	MFTA74A0824	122,771
Total U.S. Department of Transportation			1,329,447
U.S. Environmental Protection Agency:			
Direct program:			
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements	66.436	98T51601	37,940
Passed-through State of Nevada:			
Nonpoint Source Implementation Grants	66.460	DEP 21-019	17,302
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	I-97933621	40,000
Total U.S. Environmental Protection Agency			95,242
Total expenditures of Federal awards			$ 5,897,847

See Note to Schedule of Expenditures of Federal Awards

TAHOE REGIONAL PLANNING AGENCY

Note to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards

Scope of Presentation

The accompanying schedule presents only the expenditures incurred by the Tahoe Regional Planning Agency (TRPA) that are reimbursable under programs of federal agencies providing financial awards. For the purposes of this schedule, financial awards include federal awards received directly from a federal agency, as well as federal funds received indirectly by TRPA from a non-federal agency or other organization. Only the portions of program expenditures reimbursable with such federal funds are reported in the accompanying schedule. Program expenditures in excess of the maximum reimbursement authorized or the portion of the program expenditures that were funded with other state, local or other non-federal funds are excluded from the accompanying schedule.

Basis of Accounting

The expenditures included in the accompanying schedule were reported on the accrual basis of accounting. Under the accrual basis of accounting, expenditures are recognized when incurred. Expenditures reported include any property or equipment acquisitions incurred under the federal program. TRPA elected to not use the 10% de minimis cost rate and obtained a negotiated indirect cost rate of 63.12% from its cognizant agency.

TAHOE REGIONAL PLANNING AGENCY

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

1. Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
2. Internal control over financial reporting:	
a. Material weakness(es) identified?	No
b. Significant deficiency(ies) identified?	Yes, 2024-001
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weakness(es) identified?	No
b. Significant deficiency(ies) identified?	Yes, 2024-002
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	Yes, 2024-002
4. Identification of major programs:	

CFDA Number	Name of Federal Program or Cluster
15.608	Fish and Wildlife Management Assistance
15.652	Invasive Species

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	Yes

Section II - Financial Statement Findings

Finding 2024-001: Need to Review Outstanding Deposits Payable

TRPA collects deposits for fees on projects or potential projects. These deposits are refundable and older deposits include interest that accrues until the deposit is applied or returned. Some of the deposits date back to 1982. Total deposits payable as of June 30, 2024 were $7,722,442, which included $283,357 of accrued interest. Of this amount, $3,135,935 is greater than five years old and $542,635 is greater than 20 years old. All of the accrued interest is greater than five years old. The nature of the deposits are such that they should not be held for a lengthy period of time. TRPA has made efforts to determine whether the deposits should be returned or if the project was complete and the deposits should be retained. The amount of deposits continues to grow year over year. Deposits increased by $282,509 during the year ended June 30, 2024. Including stale dated deposit in the financial statements can result in overstated liabilities for financial reporting purposes.

Recommendation:
We recommend that TRPA review old deposits payable and if no longer needed, either apply the funds or return them to the individuals or companies that made the deposits. Additionally, TRPA should consult with its legal counsel on those deposits that should be returned but for which it is unable to locate the individual or the company as to next steps.

Management Response:
TRPA will review aged security deposits and dispose of them as advised by legal counsel.

Section III - Federal Award Findings and Questioned Costs

Finding 2024-002: Need to Submit Progress Reports Timely

Information on the Federal Program:
CFDA Number: 15.652 – Invasive Species, U.S. Department of Interior
Pass-Through Entity: None, direct program
Award Number: F20AC11339-00
Compliance Requirement: Reporting
Type of Finding: Noncompliance

Criteria:
Grant No. F20AC11339-03 states, in part:

"…Performance Progress Report			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date…
10/01/2022	09/30/2023	Annual	12/29/2023…"

Condition:
TRPA did not submit its Performance Progress Report for the reporting period October 1, 2022 through September 30, 2023 in a timely manner. The report was due on December 29, 2023 but was submitted on June 24, 2024, which was 178 days late.

Cause:
The due date for the Federal Financial Report of July 21, 2024 was inadvertently used for the due date of the Performance Progress Report.

Effect or Potential Effect:
Submitting late progress reports results in noncompliance with the terms of the award and untimely progress communicated to the U.S. Department of Interior.

Questioned Costs:
None

Recommendation:
We recommend that TRPA develop a checklist of due dates for all reports required under the Grant and ensure that they are completed and submitted withing those required due dates.

Management Response:
TRPA will continue to follow its Grant checklists to ensure requirements are completed in a timely manner.

TAHOE REGIONAL PLANNING AGENCY

Summary Schedule of Prior Year Findings

Year ended June 30, 2024

Status of Prior Year Audit Findings

There were no prior audit findings requiring follow-up from the year ended June 30, 2023.