



**AGENDA AND MEETING NOTICE  
OF THE FINANCE COMMITTEE  
NORTH TAHOE PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS**

**Monday, December 9, 2024, at 2:30 P.M.**

**North Tahoe Public Utility District  
Administrative Offices  
875 National Avenue  
Tahoe Vista, CA 96148**

**Welcome to a meeting of the North Tahoe Public Utility District  
FINANCE COMMITTEE**

A meeting of the North Tahoe Public Utility District Finance Committee will be held on Monday, December 9, 2024, 2:30 p.m. at the North Tahoe Public Utility District Administrative Offices, 875 National Ave. Tahoe Vista, CA 96148.

The District welcomes you to its meetings. Your opinions and suggestions are encouraged. The meeting is accessible to people with disabilities. In compliance with Section 202 of the Americans with Disabilities Act of 1990 and in compliance with the Ralph M. Brown Act, anyone requiring reasonable accommodation to participate in the meeting should contact the North Tahoe Public Utility District office at (530) 546-4212, at least two days prior to the meeting.

All written public comments received by 1:30 p.m. on December 9, 2024 will be distributed to the District Board Committee Members for their consideration at the meeting. Written comments may be emailed to [mmoga@ntpud.org](mailto:mmoga@ntpud.org), mailed or dropped-off at NTPUD's Administrative Offices located at 875 National Ave., Tahoe Vista, CA. 96148.

1. **CALL TO ORDER**
2. **PUBLIC COMMENT** - *Any person wishing to address the Finance Committee on Items on the agenda or matters of interest to the District not listed elsewhere on the agenda may do so at this time. Please limit comments and questions to three (3) minutes since no action can be taken on items presented under Public Comment.*
3. **TOPICS OF DISCUSSION**
  - a. [Review Financial Statements – Recommendation to Full Board \(Pages 6-41\)](#)
  - b. [Review Accounts Paid & Payable – Recommendation to Full Board \(Page 42\)](#)
  - c. [Review North Tahoe Event Center Event Projections \(Page 15\)](#)
  - d. [Authorize Funding a Portion of the District's CalPERS Unfunded Pension Liability Obligation – Recommendation to Full Board \(Pages 43-87\)](#)
  - e. [Review and Discuss Accepting the Annual Independent Audit Report of Financial Statements for Fiscal Year 2022-23 with Presentation by Brad Bartells of MUN CPAs – Recommendation to Full Board \(Pages 88-170\)](#)
  - f. [Review Long Range Calendar \(Page 171\)](#)
  - g. Next Month Agenda
4. **ADJOURNMENT**

Committee: Director Coolidge, Director Mourelatos, General Manager Johnson, Interim Chief Financial Officer Pommerenck

Agenda Posted on December 6, 2024 by Misty Moga, Administrative Liaison



**NORTH TAHOE  
PUBLIC UTILITY DISTRICT**

**DATE:** December 9, 2024  
**FROM:** Interim Chief Financial Officer  
**SUBJECT:** Finance Committee Agenda Memo

**SELECTED TOPICS OF DISCUSSION:**

**a. Review Draft Financial Statements as of October 31st – Recommendation to Full Board**

Consolidated Income Statement Highlights:

Line 32 – Net income of \$2M is \$1.5M higher than budgeted due to timing of operating expenses and unbudgeted grant revenue.

Line 4 – Operating revenue are slightly ahead for the District as a whole mainly due to water and wastewater connection fees more than budget.

Line 6 – Salaries and wages are under budget due to open positions and less utilization of paid time off. The change in value of paid-time-off is monitored and trued up quarterly as needed.

Line 7 – Employee benefits are trending less than budget at the District level due to open positions.

Line 8 and 10 – Discussed at the enterprise level.

Line 14 – Depreciation is slightly higher than anticipated.

Line 22 – Grant Revenue is ahead of budget due to timing of project expenditures and an unbudgeted grant for Water fire protection infrastructure.

Wastewater Income Statement Highlights:

Line 37 – Net income of (\$317k) is \$408k higher than budgeted due to lower-than-anticipated operating expenses.

Line 6 – Lower than budgeted salaries due to open positions.

Line 7 – As benefits are positively correlated to salaries at the enterprise level, this is also reflected in lower benefits than budgeted.

Line 8 – Outside services expenses are below budget due to timing of patch pave expenditures.

Line 21 – Allocation of administrative and general is under budget YTD as the Administrative and General Division is under budget overall, hence less expense to allocate to the divisions.

#### Water Income Statement Highlights:

Line 37 – Net income of \$1.5M is \$883k higher than budgeted due to lower than anticipated operating expenses, administrative allocation, and unbudgeted grant revenue for Water fire protection infrastructure.

Line 4 – Operating revenue is higher than anticipated due to connection fees offsetting lower than anticipated consumption.

Line 6 – Lower than budgeted salaries due to open positions.

Line 7 – As benefits are positively correlated to salaries at the enterprise level, this is also reflected in lower benefits than budgeted.

Line 10 – Other operating expenses are under budget due to timing of hydrants, materials, and meter purchases.

Line 21 – Allocation of administrative and general is under budget YTD as the Administrative and General Division is under budget overall, hence less expense to allocate to the divisions.

#### Recreation & Parks Income Statement Highlights:

Line 37 – Net income of \$295k is \$144k higher than budgeted due to lower than budgeted allocation of administration and timing of grant revenue.

Line 4 – Recreation and Parks operating revenue is higher than budget due to TVRA boat ramp revenue offsetting a decrease in concessionaire revenue and lower than anticipated room rent at NTEC.

Line 6 – Slightly higher salaries to budget due to seasonal hours more than budget.

Line 7 – As benefits are positively correlated to full time salaries at the enterprise level benefits are lower than budgeted.

Line 10 – Other operating expenses are under budget due to equipment and operating supplies purchase timing.

Line 21 – Allocation of administrative and general is under budget as the Administrative and General Division is under budget overall, hence less expense to allocate to the divisions.

#### NTEC Income Statement Highlights:

Line 37 – Net income of (\$31k) is at budget with less than budgeted revenue offset by less Employee Benefits than budget.

Line 4 – Operating revenue is lower than budget by \$9k.

Line 7 – Employee Benefits are less than budgeted by \$9k.

#### Fleet Income Statement Highlights:

Line 10 – Other operating expenses are less than budget due to timing of parts and tire purchases.

Line 21 – Allocation of administrative and general is under budget month as the Administrative and General Division is under budget overall, hence less expense to allocate to the divisions.

#### General & Administrative Income Statement Highlights:

Line 37 – Net income of \$384k is \$66k higher than budgeted due interest income exceeding budget estimate.

Line 8 – Outside services are under budget due to timing of records retention project spend and software licenses invoice timing.  
Line 10 – Other operating expenses are under budget due to timing of community outreach and computer equipment purchases.  
Line 21 – Allocation of administrative and general is under budget as the Administrative and General Division is under budget overall, hence less expense to allocate to the divisions.

Performance to Budget Graph Highlights:

Operating revenues are slightly more than anticipated due to connection fees offsetting lower than anticipated in Water consumption and lower revenue in Recreation and Parks due to concessionaire and room rent offset by higher Program and Boat Ramp revenues. Outside services and other operating expenses are reflective of prior years' behavior, starting out well below budget with estimates spread at the beginning of the fiscal year. Utilities are slightly trending higher than budget primarily due to electricity.

Capital Outlay Highlights:

The District has initiated \$4.7M (or 66% of budgeted) in capital projects and purchases.

Total Reserves Highlights:

The Reserve pie chart is reflective of a point in time. At the end of October the light blue "Available for 5 Year Capital Plan" is \$2.4M.

Treasury Report Highlights:

During the month of October, the District's cash and investments Decreased by \$1.8M due to construction capital.

**b. Review Accounts Paid & Payable – Recommendation to Full Board**

Weekly check review questions: None for the reporting period

**c. Review North Tahoe Event Center Event Projections as of October 31st.**

The NTEC staff continues to book reservations for the current and subsequent years. Through the four months ending October 31, 2024, \$325k in room rent has been realized and reserved for FY25, compared to the FY25 budget of \$499k.

**d. Funding of CalPERS Unfunded Pension Liability – Recommendation to Full Board**

The Finance Committee performed the annual review of the Unfunded Pension Liability at its October 7<sup>th</sup>, 2024 meeting and recommended presenting the funding of the \$971k to the full Board at the December 12<sup>th</sup> meeting. The funding recommendation is in accordance with the District's policy targeting a 98% funding level. The Finance Committee also agreed with Staff's recommendation to not invest the \$21k shortfall for the pension liability prefunding due to the close proximity of the funding level which is on year's expected expense of \$466k.

**e. Review and Discuss Accepting the Annual Independent Audit Report of Financial Statements for Fiscal Year 2022-23 with Presentation by Brad Bartells of MUN CPAs – Recommendation to Full Board**

The District’s Auditor, MUN CPAs, have completed their audit of the District’s Fiscal year 2023-24 financial report and have issued an unmodified report. We are pleased to report that the Auditor did not have any findings or recommendations as an outcome of the audit process for the second year in a row.

The 2023/24 financial report reflects a reporting format change due to GASB reporting compliance. The Enterprise Funds (Sewer, Water & Recreation) requires a subtotal column and the Internal Funds (Fleet & General & Administrative were combined into a single column.

**f. Accounting Initiatives –**

OpenGov – Planned OpenGov availability internally delayed due to OpenGov programming issues and budget functionality deliverable delinquency.


InvoiceCloud – Implementation kick off in October with weekly meetings. The initial go live target is March 1, 2025 as long as milestones are met.

**g. Review of Long Range Calendar**

**h. Next Month Agenda**

**REVIEW TRACKING:**

Submitted by:   
Lori Pommerenck  
Interim Chief Financial Officer

Approved by:   
Bradley A. Johnson, P.E.  
General Manager/CEO



# NORTH TAHOE PUBLIC UTILITY DISTRICT

**DATE:** December 10, 2024

**ITEM:** I-3a

**FROM:** Finance Department

**SUBJECT:** Draft Financial Reports through October 31, 2024

## **DISCUSSION:**

The following draft financial reports provide the revenue and expense status of the North Tahoe Public Utility District as of the month ending October 31, 2024. This report represents 4/12 or 33% of the fiscal year.

- **All Funds:** At the end of October, the District's Revenues exceeded Expenses by \$2,016,551. This represents Net Income of \$1,560,103 over Budget year-to-date (YTD). Operating Revenues are above budget by \$64,278 or 1.5%. The District as a whole, is (\$675,602) or (10.9%) under Budget for expenses at month end, primarily due to Other Operating Expenses being under budget by (\$308,053) and Outside Services/Contractual be under by (\$203,301). Salaries and Employee benefits are also less than budget YTD largely due to open positions offsetting higher than budgeted overtime. Capital projects and purchases in the amount of \$4,699,092 have been initiated YTD.
- **All Wastewater Funds:** This report includes the Wastewater Operations Fund, the Wastewater Reserve Fund, and the Wastewater System Replacement Fund. At the end of October, the Wastewater Expenses exceeded Revenues by (\$316,623). Operating Revenues for the month are ahead of Budget due to connection fees collected. Operating Expenses are (\$280,601) or (17.8%) under Budget at month end, largely due to Outside Services/Contractual, Salaries and Employee Benefits. Combined this results in a YTD performance of \$408,488 better than Budget.

The Wastewater Fund has expended \$158,239 and encumbered an additional \$130,155 for CIP through October 31, 2024. See Capital Outlay page.

- **All Water Funds:** This report includes the Water Operations Fund, the Water Reserve Fund, and the Water System Replacement Fund. At the end of October, the Water Revenues exceeded Expenses by \$1,563,364. Operating Revenues for the month are over budget by \$33,827 or 1.8% largely due to connection fees collected offsetting lower consumption than budgeted. Operating Expenses for the month are under budget by (\$85,082) or (5.6%) mainly due to Other Operating Expenses. Grant Revenue is more than budget by \$706,763 due to unbudgeted Federal Grant accrued in October. Combined this results in a YTD performance of \$883,553 better than Budget.

The Water Fund has expended \$1,875,046 and encumbered an additional \$970,932 for CIP through October 31, 2024.

- **All Recreation & Parks:** This report includes the Regional Park, Recreation Programming, the TVRA Boat Ramp, the Event Center, and contractual maintenance services provided to Placer County and Kings Beach Elementary School. At the end of October, the Recreation & Parks Revenues exceeded Expenses by \$200,362. Recreation and Parks Operating Revenues are ahead of Budget at month end by \$17,730 or 2.5%. Total Expenses at month end are (\$24,231) or 2.1% below Budget. The combined results are \$144,195 better than budget.

The Recreation and Parks have expended \$192,871 and encumbered an additional \$776,440 for CIP Parks Projects through October 31, 2024. See Capital Outlay page.

- **North Tahoe Event Center (NTEC):** NTEC has a Net Loss of (\$34,139) for the month ended compared to Budget Net Loss of (\$33,893). The Net Loss outcome is slightly less than budget.
- **Fleet:** Operating Expenses at month end are (\$57,306) under budget primarily due to Other Operating Expenses.

Fleet has \$11,610 expenditures for CIP and encumbered \$400,354 through October 31, 2024. See Capital Outlay page.

- **General & Administrative and Base:** Operating Expenses YTD are (\$228,394) or (12.3%) below Budget, due to Outside Services and Other Operating Expenses.

Administration has expended \$105,712 for CIP and encumbered \$77,734 through October 31, 2024. See Capital Outlay page.

- **Capital Outlay:** The District has expended \$2,343,478 on Capital and encumbered an additional \$2,355,614.

**ATTACHMENTS:** Financial Reports for October 31, 2024

**REVIEW TRACKING:**

Submitted by:



Lori Pommerenck  
Interim Chief Financial Officer

Approved by:



Bradley A. Johnson, P.E.  
General Manager/CEO



**Statement of Revenues and Expenses  
For the Period Ended October 31, 2024**

Income Statement	Month-To-Date				Year-To-Date				FY 2024
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	
<b>1 Operations</b>									
2 Operating Revenue	\$ 1,016,144	\$ 1,011,420	\$ 4,724	0.5%	\$ 4,337,913	\$ 4,275,377	\$ 62,536	1.5%	\$ 3,786,358
3 Internal Revenue	16,310	22,272	(5,962)	-26.8%	64,876	63,134	1,742	2.8%	65,331
<b>4 Total Operating Revenue</b>	<b>\$ 1,032,454</b>	<b>\$ 1,033,692</b>	<b>\$ (1,238)</b>	<b>-0.1%</b>	<b>\$ 4,402,789</b>	<b>\$ 4,338,511</b>	<b>\$ 64,278</b>	<b>1.5%</b>	<b>\$ 3,851,689</b>
5									
6 Salaries and Wages	\$ (475,538)	\$ (534,722)	\$ 59,184	11.1%	\$ (2,025,406)	\$ (2,148,085)	\$ 122,679	5.7%	\$ (1,933,679)
7 Employee Benefits	(230,886)	(259,880)	28,994	11.2%	(940,452)	(1,021,256)	80,804	7.9%	(870,476)
8 Outside Services/Contractual	(134,966)	(149,068)	14,102	9.5%	(469,672)	(672,973)	203,301	30.2%	(400,739)
9 Utilities	(79,961)	(69,540)	(10,421)	-15.0%	(336,086)	(314,961)	(21,125)	-6.7%	(260,244)
10 Other Operating Expenses	(120,992)	(132,406)	11,414	8.6%	(524,042)	(832,095)	308,053	37.0%	(504,846)
11 Insurance	(36,583)	(36,512)	(71)	-0.2%	(146,332)	(146,048)	(284)	-0.2%	(125,227)
12 Internal Expense	(16,310)	(22,272)	5,962	26.8%	(64,876)	(63,134)	(1,742)	-2.8%	(63,303)
13 Debt Service	(2,118)	(2,118)	-	0.0%	(9,149)	(9,825)	676	6.9%	(12,956)
14 Depreciation	(313,185)	(308,564)	(4,621)	-1.5%	(1,243,489)	(1,226,729)	(16,760)	-1.4%	(1,047,955)
<b>15 Total Operating Expense</b>	<b>\$ (1,410,539)</b>	<b>\$ (1,515,082)</b>	<b>\$ 104,543</b>	<b>6.9%</b>	<b>\$ (5,759,504)</b>	<b>\$ (6,435,106)</b>	<b>\$ 675,602</b>	<b>10.5%</b>	<b>\$ (5,219,425)</b>
16									
<b>17 Operating Income(Loss)</b>	<b>\$ (378,085)</b>	<b>\$ (481,390)</b>	<b>\$ 103,305</b>	<b>21.5%</b>	<b>\$ (1,356,715)</b>	<b>\$ (2,096,595)</b>	<b>\$ 739,880</b>	<b>35.3%</b>	<b>\$ (1,367,736)</b>
18									
<b>19 Non-Operations</b>									
20 Property Tax Revenue	\$ 575,000	\$ 575,000	\$ -	0.0%	\$ 2,300,000	\$ 2,300,000	\$ -	0.0%	\$ 2,100,000
21 Community Facilities District (CFD 94-1)	58,095	56,908	1,187	2.1%	232,381	227,633	4,748	2.1%	227,856
22 Grant Revenue	706,763	-	706,763	100.0%	738,990	-	738,990	100.0%	1,396,636
23 Interest	51,819	8,333	43,486	521.9%	125,002	33,333	91,669	275.0%	57,848
24 Other Non-Op Revenue	103,390	6,447	96,943	1503.7%	127,132	25,410	101,722	400.3%	27,648
25 Capital Contribution	-	-	-	0.0%	-	-	-	0.0%	-
26 Other Non-Op Expenses	(28,737)	(8,333)	(20,404)	-244.9%	(150,239)	(33,333)	(116,906)	-350.7%	(35,612)
<b>27 Income(Loss)</b>	<b>\$ 1,088,245</b>	<b>\$ 156,965</b>	<b>\$ 931,280</b>	<b>593.3%</b>	<b>\$ 2,016,551</b>	<b>\$ 456,448</b>	<b>\$ 1,560,103</b>	<b>341.8%</b>	<b>\$ 2,406,640</b>
28									
<b>29 Additional Funding Sources</b>									
30 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
31 Transfers	-	-	-	0.0%	-	-	-	0.0%	-
<b>32 Balance</b>	<b>\$ 1,088,245</b>	<b>\$ 156,965</b>	<b>\$ 931,280</b>	<b>593.3%</b>	<b>\$ 2,016,551</b>	<b>\$ 456,448</b>	<b>\$ 1,560,103</b>	<b>341.8%</b>	<b>\$ 2,406,640</b>
Operating Income	\$ (378,085)	\$ (481,390)	\$ 103,305	21.5%	\$ (1,356,715)	\$ (2,096,595)	\$ 739,880	35.3%	\$ (1,367,736)
Net Income(Loss)	\$ 1,088,245	\$ 156,965	\$ 931,280	593.3%	\$ 2,016,551	\$ 456,448	\$ 1,560,103	341.8%	\$ 2,406,640
Earnings Before Interest, Depreciation & Amortization	\$ 1,403,548	\$ 467,647	\$ 935,901	200.1%	\$ 3,269,189	\$ 1,693,002	\$ 1,576,187	93.1%	\$ 3,467,551
Operating Ratio	137%	147%	-10%	-6.8%	131%	148%	-18%	-11.8%	136%
Operating Ratio - plus Tax & CFD	85%	91%	-6%	-6.9%	83%	94%	-11%	-11.4%	84%
Debt Service Coverage Ratio	513.81	74.11	43970%	-36559%	220.41	46.46	17395%	-12750%	185.75





**Actual Results For the Month Ended October 31, 2024**

<b>Income Statement</b>	<b>Wastewater</b>	<b>Water</b>	<b>Recreation &amp; Parks</b>	<b>Fleet &amp; Equipment</b>	<b>General &amp; Administrative</b>	<b>Total</b>
<b>1 Operations</b>						
2 Operating Revenue	\$ 410,274	\$ 430,987	\$ 171,694	\$ -	\$ 3,189	\$ 1,016,144
3 Internal Revenue	4,080	6,130	6,100	-	-	16,310
<b>4 Total Operating Revenue</b>	<b>\$ 414,354</b>	<b>\$ 437,116</b>	<b>\$ 177,794</b>	<b>\$ -</b>	<b>\$ 3,189</b>	<b>\$ 1,032,453</b>
5						
6 Salaries and Wages	\$ (112,622)	\$ (85,829)	\$ (97,165)	\$ (12,867)	\$ (167,056)	\$ (475,538)
7 Employee Benefits	(59,449)	(42,925)	(45,304)	(7,730)	(75,478)	(230,886)
8 Outside Services/Contractual	(15,145)	(41,243)	(19,151)	(2,243)	(57,184)	(134,966)
9 Utilities	(8,910)	(58,866)	(5,371)	(568)	(6,247)	(79,961)
10 Other Operating Expenses	(5,988)	(50,742)	(14,872)	(13,576)	(35,815)	(120,992)
11 Internal Expense	(931)	(1,151)	(6,836)	(133)	(7,259)	(16,310)
12 Debt Service	-	(2,118)	-	-	-	(2,118)
13 Insurance	(7,655)	(7,655)	(7,655)	(5,142)	(8,476)	(36,583)
14 Depreciation	(104,000)	(117,624)	(71,459)	(15,398)	(4,703)	(313,185)
15 Total Operating Expense	(314,700)	(408,152)	(267,813)	(57,656)	(362,218)	(1,410,538)
16						
<b>17 Operating Contribution</b>	<b>\$ 99,654</b>	<b>\$ 28,964</b>	<b>\$ (90,018)</b>	<b>\$ (57,656)</b>	<b>\$ (359,029)</b>	<b>\$ (378,085)</b>
18						
19 Allocation of Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20 Allocation of Fleet	(27,095)	(25,589)	(9,762)	62,446	-	-
21 Allocation of General & Administrative	(114,497)	(147,684)	(96,100)	-	358,281	-
<b>22 Operating Income(Loss)</b>	<b>\$ (41,938)</b>	<b>\$ (144,309)</b>	<b>\$ (195,880)</b>	<b>\$ 4,791</b>	<b>\$ (748)</b>	<b>\$ (378,085)</b>
23						
<b>24 Non-Operations</b>						
25 Property Tax Revenue	\$ -	\$ 266,667	\$ 233,333	\$ 8,333	\$ 66,667	\$ 575,000
26 Community Facilities District (CFD 94-1)	-	-	58,095	-	-	58,095
27 Grant Revenue	-	706,763	-	-	-	706,763
28 Interest	-	-	-	-	51,819	51,819
29 Other Non-Op Revenue	95,376	283	-	-	7,732	103,390
30 Capital Contribution	-	-	-	-	-	-
31 Other Non-Op Expenses	(1,210)	-	(581)	-	(26,946)	(28,737)
<b>32 Income(Loss)</b>	<b>\$ 52,227</b>	<b>\$ 829,403</b>	<b>\$ 94,967</b>	<b>\$ 13,124</b>	<b>\$ 98,523</b>	<b>\$ 1,088,245</b>
33						
<b>34 Additional Funding Sources</b>						
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36 Transfers	-	-	-	-	-	-
<b>37 Balance</b>	<b>\$ 52,227</b>	<b>\$ 829,403</b>	<b>\$ 94,967</b>	<b>\$ 13,124</b>	<b>\$ 98,523</b>	<b>\$ 1,088,245</b>
Earnings Before Interest, Depreciation & Amortization	\$ 156,228	\$ 949,145	\$ 166,426	\$ 28,522	\$ 103,227	\$ 1,403,547
Operating Ratio	76%	93%	151%		11358%	Median
Operating Ratio - plus Tax & CFD	76%	58%	57%	692%	519%	54%



YTD For the Period Ended October 31, 2024

Income Statement	Wastewater	Water	Recreation & Parks	Fleet & Equipment	General & Administrative	Total
<b>1 Operations</b>						
2 Operating Revenue	\$ 1,672,862	\$ 1,933,913	\$ 719,332	\$ -	\$ 11,807	\$ 4,337,913
3 Internal Revenue	16,320	28,095	20,460	-	-	64,876
<b>4 Total Operating Revenue</b>	<b>\$ 1,689,182</b>	<b>\$ 1,962,008</b>	<b>\$ 739,792</b>	<b>\$ -</b>	<b>\$ 11,807</b>	<b>\$ 4,402,789</b>
5						
6 Salaries and Wages	\$ (456,443)	\$ (333,358)	\$ (402,736)	\$ (54,644)	\$ (778,226)	\$ (2,025,406)
7 Employee Benefits	(230,931)	(163,244)	(185,459)	(30,631)	(330,187)	(940,452)
8 Outside Services/Contractual	(19,758)	(94,229)	(76,309)	(12,875)	(266,501)	(469,672)
9 Utilities	(67,199)	(180,456)	(45,602)	(2,501)	(40,327)	(336,086)
10 Other Operating Expenses	(71,111)	(157,096)	(78,603)	(79,848)	(137,384)	(524,042)
11 Internal Expense	(3,717)	(4,604)	(30,915)	(541)	(25,099)	(64,876)
12 Debt Service	-	(9,149)	-	-	-	(9,149)
13 Insurance	(30,620)	(30,620)	(30,620)	(20,568)	(33,904)	(146,332)
14 Depreciation	(411,675)	(470,400)	(285,058)	(61,302)	(15,054)	(1,243,489)
15 Total Operating Expense	(1,291,453)	(1,443,157)	(1,135,303)	(262,908)	(1,626,682)	(5,759,504)
16						
<b>17 Operating Contribution</b>	<b>\$ 397,729</b>	<b>\$ 518,851</b>	<b>\$ (395,511)</b>	<b>\$ (262,908)</b>	<b>\$ (1,614,876)</b>	<b>\$ (1,356,715)</b>
18						
19 Allocation of Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20 Allocation of Fleet	(138,941)	(131,217)	(50,058)	320,216	-	-
21 Allocation of General & Administrative	(566,752)	(598,155)	(463,971)	-	1,628,878	-
<b>22 Operating Income(Loss)</b>	<b>\$ (307,964)</b>	<b>\$ (210,521)</b>	<b>\$ (909,540)</b>	<b>\$ 57,308</b>	<b>\$ 14,002</b>	<b>\$ (1,356,715)</b>
23						
<b>24 Non-Operations</b>						
25 Property Tax Revenue	\$ -	\$ 1,066,667	\$ 933,333	\$ 33,333	\$ 266,667	\$ 2,300,000
26 Community Facilities District (CFD 94-1)	-	-	232,381	-	-	232,381
27 Grant Revenue	-	706,763	32,228	-	-	738,990
28 Interest	-	-	-	-	125,002	125,002
29 Other Non-Op Revenue	95,376	454	-	-	31,303	127,132
30 Capital Contribution	-	-	-	-	-	-
31 Other Non-Op Expenses	(104,034)	-	6,926	-	(53,131)	(150,239)
<b>32 Income(Loss)</b>	<b>\$ (316,623)</b>	<b>\$ 1,563,362</b>	<b>\$ 295,329</b>	<b>\$ 90,641</b>	<b>\$ 383,844</b>	<b>\$ 2,016,552</b>
33						
<b>34 Additional Funding Sources</b>						
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36 Transfers	-	-	-	-	-	-
<b>37 Balance</b>	<b>\$ (316,623)</b>	<b>\$ 1,563,362</b>	<b>\$ 295,329</b>	<b>\$ 90,641</b>	<b>\$ 383,844</b>	<b>\$ 2,016,552</b>
Earnings Before Interest, Depreciation & Amortization	\$ 95,052	\$ 2,042,910	\$ 580,387	\$ 151,943	\$ 398,898	\$ 3,269,190
Operating Ratio	76%	74%	153%			Median
Operating Ratio - plus Tax & CFD	76%	48%	60%			54%



**Wastewater Operations**  
**Statement of Revenues and Expenses**  
**For the Period Ended October 31, 2024**

Income Statement	Month-To-Date				Year-To-Date				Prior
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD
<b>1 Operations</b>									
2 Operating Revenue	\$ 410,274	\$ 415,487	\$ (5,213)	-1.3%	\$ 1,672,862	\$ 1,661,949	\$ 10,913	0.7%	\$ 1,495,260
3 Internal Revenue	4,080	4,080	-	0.0%	16,320	16,319	1	0.0%	14,718
4 <b>Total Operating Revenue</b>	\$ 414,354	\$ 419,567	\$ (5,213)	-1.2%	\$ 1,689,182	\$ 1,678,268	\$ 10,914	0.7%	\$ 1,509,978
5									
6 Salaries and Wages	\$ (112,622)	\$ (125,267)	\$ 12,645	10.1%	\$ (456,443)	\$ (494,701)	\$ 38,258	7.7%	\$ (381,557)
7 Employee Benefits	(59,449)	(70,356)	10,907	15.5%	(230,931)	(270,047)	39,116	14.5%	(195,980)
8 Outside Services/Contractual	(15,145)	(54,142)	38,997	72.0%	(19,758)	(134,142)	114,384	85.3%	(44,998)
9 Utilities	(8,910)	(20,065)	11,155	55.6%	(67,199)	(76,865)	9,666	12.6%	(65,009)
10 Other Operating Expenses	(5,988)	(26,110)	20,122	77.1%	(71,111)	(135,550)	64,439	47.5%	(68,788)
11 Insurance	(7,655)	(7,771)	116	1.5%	(30,620)	(31,086)	466	1.5%	(24,868)
12 Internal Expense	(931)	(1,926)	995	51.7%	(3,717)	(4,705)	988	21.0%	(3,902)
13 Debt Service	-	-	-	0.0%	-	-	-	0.0%	-
14 Depreciation	(104,000)	(106,368)	2,368	2.2%	(411,675)	(424,959)	13,284	3.1%	(394,893)
15 <b>Total Operating Expense</b>	\$ (314,700)	\$ (412,005)	\$ 97,305	23.6%	\$ (1,291,454)	\$ (1,572,055)	\$ 280,601	17.8%	\$ (1,179,995)
16									
17 <b>Operating Contribution</b>	\$ 99,654	\$ 7,562	\$ 92,092	1217.8%	\$ 397,728	\$ 106,213	\$ 291,515	274.5%	\$ 329,983
18									
19 Allocation of Base	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
20 Allocation of Fleet	(27,095)	(27,095)	-	0.0%	(138,941)	(138,941)	-	0.0%	(103,314)
21 Allocation of General & Administrative	(114,497)	(151,131)	36,634	24.2%	(566,752)	(692,383)	125,631	18.1%	-
22 <b>Operating Income(Loss)</b>	\$ (41,938)	\$ (170,664)	\$ 128,726	75.4%	\$ (307,965)	\$ (725,111)	\$ 417,146	57.5%	\$ 226,669
23									
24 <b>Non-Operations</b>									
25 Property Tax Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
26 Community Facilities District (CFD 94-1)	-	-	-	0.0%	-	-	-	0.0%	-
27 Grant Revenue	-	-	-	0.0%	-	-	-	0.0%	-
28 Interest	-	-	-	0.0%	-	-	-	0.0%	-
29 Other Non-Op Revenue	95,376	-	95,376	100.0%	95,376	-	95,376	100.0%	-
30 Capital Contribution	-	-	-	0.0%	-	-	-	0.0%	-
31 Other Non-Op Expenses	(1,210)	-	(1,210)	-100.0%	(104,034)	-	(104,034)	-100.0%	-
32 <b>Income(Loss)</b>	\$ 52,228	\$ (170,664)	\$ 222,892	130.6%	\$ (316,623)	\$ (725,111)	\$ 408,488	56.3%	\$ 226,669
33									
34 <b>Additional Funding Sources</b>									
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
36 Transfers	-	-	-	0.0%	-	-	-	0.0%	-
37 <b>Balance</b>	\$ 52,228	\$ (170,664)	\$ 222,892	130.6%	\$ (316,623)	\$ (725,111)	\$ 408,488	56.3%	\$ 226,669
Earnings Before Interest, Depreciation & Amortization	\$ 156,228	\$ (64,296)	\$ 220,524	343.0%	\$ 95,052	\$ (300,152)	\$ 395,204	131.7%	\$ 621,562
Operating Ratio	76%	98%	-22%	-22.7%	76%	94%	-17%	-18.4%	78%
Operating Ratio - plus Tax & CFD	76%	98%	-22%	-22.7%	76%	94%	-17%	-18.4%	78%



**Statement of Revenues and Expenses  
For the Period Ended October 31, 2024**

Income Statement	Month-To-Date				Year-To-Date				Prior
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD
<b>1 Operations</b>									
2 Operating Revenue	\$ 430,987	\$ 444,714	\$ (13,727)	-3.1%	\$ 1,933,913	\$ 1,907,551	\$ 26,362	1.4%	\$ 1,630,900
3 Internal Revenue	6,130	5,157	973	18.9%	28,095	20,630	7,465	36.2%	24,052
4 <b>Total Operating Revenue</b>	\$ 437,117	\$ 449,871	\$ (12,754)	-2.8%	\$ 1,962,008	\$ 1,928,181	\$ 33,827	1.8%	\$ 1,654,952
5									
6 Salaries and Wages	\$ (85,829)	\$ (90,866)	\$ 5,037	5.5%	\$ (333,358)	\$ (362,660)	\$ 29,302	8.1%	\$ (360,906)
7 Employee Benefits	(42,925)	(50,265)	7,340	14.6%	(163,244)	(192,932)	29,688	15.4%	(183,372)
8 Outside Services/Contractual	(41,243)	(19,009)	(22,234)	-117.0%	(94,229)	(108,726)	14,497	13.3%	(64,230)
9 Utilities	(58,866)	(30,605)	(28,261)	-92.3%	(180,456)	(149,920)	(30,536)	-20.4%	(122,636)
10 Other Operating Expenses	(50,742)	(43,823)	(6,919)	-15.8%	(157,096)	(240,713)	83,617	34.7%	(191,537)
11 Insurance	(7,655)	(7,771)	116	1.5%	(30,620)	(31,086)	466	1.5%	(24,868)
12 Internal Expense	(1,151)	(2,151)	1,000	46.5%	(4,604)	(5,604)	1,000	17.8%	(5,491)
13 Debt Service	(2,118)	(2,118)	-	0.0%	(9,149)	(9,825)	676	6.9%	(12,956)
14 Depreciation	(117,624)	(106,975)	(10,649)	-10.0%	(470,400)	(426,772)	(43,628)	-10.2%	(381,508)
15 <b>Total Operating Expense</b>	\$ (408,153)	\$ (353,583)	\$ (54,570)	-15.4%	\$ (1,443,156)	\$ (1,528,238)	\$ 85,082	5.6%	\$ (1,347,504)
16									
17 <b>Operating Contribution</b>	\$ 28,964	\$ 96,288	\$ (67,324)	-69.9%	\$ 518,852	\$ 399,943	\$ 118,909	29.7%	\$ 307,448
18									
19 Allocation of Base	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
20 Allocation of Fleet	(25,589)	(25,589)	-	0.0%	(131,217)	(131,217)	-	0.0%	(97,160)
21 Allocation of General & Administrative	(147,684)	(143,098)	(4,586)	-3.2%	(598,155)	(655,582)	57,427	8.8%	-
22 <b>Operating Income(Loss)</b>	\$ (144,309)	\$ (72,399)	\$ (71,910)	-99.3%	\$ (210,520)	\$ (386,856)	\$ 176,336	45.6%	\$ 210,288
23									
24 <b>Non-Operations</b>									
25 Property Tax Revenue	\$ 266,667	\$ 266,667	\$ -	0.0%	\$ 1,066,667	\$ 1,066,667	\$ -	0.0%	\$ 566,667
26 Community Facilities District (CFD 94-1)	-	-	-	0.0%	-	-	-	0.0%	-
27 Grant Revenue	706,763	-	706,763	100.0%	706,763	-	706,763	100.0%	447,307
28 Interest	-	-	-	0.0%	-	-	-	0.0%	-
29 Other Non-Op Revenue	283	-	283	100.0%	454	-	454	100.0%	25,095
30 Capital Contribution	-	-	-	0.0%	-	-	-	0.0%	-
31 Other Non-Op Expenses	-	-	-	0.0%	-	-	-	0.0%	-
32 <b>Income(Loss)</b>	\$ 829,404	\$ 194,268	\$ 635,136	326.9%	\$ 1,563,364	\$ 679,811	\$ 883,553	130.0%	\$ 1,249,357
33									
34 <b>Additional Funding Sources</b>									
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
36 Transfers	-	-	-	0.0%	-	-	-	0.0%	-
37 <b>Balance</b>	\$ 829,404	\$ 194,268	\$ 635,136	326.9%	\$ 1,563,364	\$ 679,811	\$ 883,553	130.0%	\$ 1,249,357
Earnings Before Interest, Depreciation & Amortization	\$ 949,146	\$ 303,361	\$ 645,785	212.9%	\$ 2,042,913	\$ 1,116,408	\$ 926,505	83.0%	\$ 1,643,821
Operating Ratio	93%	79%	15%	18.8%	74%	79%	-6%	-7.2%	81%
Operating Ratio - plus Tax & CFD	58%	49%	9%	17.5%	48%	51%	-3%	-6.6%	61%



**Recreation & Parks Operations  
Statement of Revenues and Expenses  
For the Period Ended October 31, 2024**

Income Statement	Month-To-Date				Year-To-Date				Prior
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD
<b>1 Operations</b>									
2 Operating Revenue	\$ 171,694	\$ 148,718	\$ 22,976	15.4%	\$ 719,332	\$ 695,877	\$ 23,455	3.4%	\$ 650,466
3 Internal Revenue	6,100	13,035	(6,935)	-53.2%	20,460	26,185	(5,725)	-21.9%	24,533
4 <b>Total Operating Revenue</b>	\$ 177,794	\$ 161,753	\$ 16,041	9.9%	\$ 739,792	\$ 722,062	\$ 17,730	2.5%	\$ 674,999
5									
6 Salaries and Wages	\$ (97,165)	\$ (98,115)	\$ 950	1.0%	\$ (402,736)	\$ (388,973)	\$ (13,763)	-3.5%	\$ (363,169)
7 Employee Benefits	(45,304)	(51,294)	5,990	11.7%	(185,459)	(196,880)	11,421	5.8%	(177,369)
8 Outside Services/Contractual	(19,151)	(25,245)	6,094	24.1%	(76,309)	(89,790)	13,481	15.0%	(72,599)
9 Utilities	(5,371)	(8,223)	2,852	34.7%	(45,602)	(44,568)	(1,034)	-2.3%	(34,140)
10 Other Operating Expenses	(14,872)	(16,150)	1,278	7.9%	(78,603)	(106,480)	27,877	26.2%	(65,583)
11 Insurance	(7,655)	(7,771)	116	1.5%	(30,620)	(31,086)	466	1.5%	(25,198)
12 Internal Expense	(6,836)	(5,875)	(961)	-16.4%	(30,915)	(23,502)	(7,413)	-31.5%	(25,531)
13 Debt Service	-	-	-	0.0%	-	-	-	0.0%	-
14 Depreciation	(71,459)	(69,936)	(1,523)	-2.2%	(285,058)	(278,244)	(6,814)	-2.4%	(221,351)
15 <b>Total Operating Expense</b>	\$ (267,813)	\$ (282,609)	\$ 14,796	5.2%	\$ (1,135,302)	\$ (1,159,523)	\$ 24,221	2.1%	\$ (984,940)
16									
17 <b>Operating Contribution</b>	\$ (90,019)	\$ (120,856)	\$ 30,837	25.5%	\$ (395,510)	\$ (437,461)	\$ 41,951	9.6%	\$ (309,941)
18									
19 Allocation of Base	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
20 Allocation of Fleet	(9,762)	(9,762)	-	0.0%	(50,058)	(50,058)	-	0.0%	(36,618)
21 Allocation of General & Administrative	(96,100)	(114,009)	17,909	15.7%	(463,971)	(522,313)	58,342	11.2%	-
22 <b>Operating Income(Loss)</b>	\$ (195,881)	\$ (244,627)	\$ 48,746	19.9%	\$ (909,539)	\$ (1,009,832)	\$ 100,293	9.9%	\$ (346,559)
23									
24 <b>Non-Operations</b>									
25 Property Tax Revenue	\$ 233,333	\$ 233,333	\$ -	0.0%	\$ 933,333	\$ 933,333	\$ -	0.0%	\$ 883,333
26 Community Facilities District (CFD 94-1)	58,095	56,908	1,187	2.1%	232,381	227,633	4,748	2.1%	227,856
27 Grant Revenue	-	-	-	0.0%	32,228	-	32,228	100.0%	949,330
28 Interest	-	-	-	0.0%	-	-	-	0.0%	-
29 Other Non-Op Revenue	-	-	-	0.0%	-	-	-	0.0%	-
30 Capital Contribution	-	-	-	0.0%	-	-	-	0.0%	-
31 Other Non-Op Expenses	(581)	-	(581)	-100.0%	6,926	-	6,926	100.0%	(2,279)
32 <b>Income(Loss)</b>	\$ 94,966	\$ 45,614	\$ 49,352	108.2%	\$ 295,329	\$ 151,134	\$ 144,195	95.4%	\$ 1,711,681
33									
34 <b>Additional Funding Sources</b>									
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
36 Transfers	-	-	-	0.0%	-	-	-	0.0%	-
37 <b>Balance</b>	\$ 94,966	\$ 45,614	\$ 49,352	108.2%	\$ 295,329	\$ 151,134	\$ 144,195	95.4%	\$ 1,711,681
Earnings Before Interest, Depreciation & Amortization	\$ 166,425	\$ 115,550	\$ 50,875	44.0%	\$ 580,387	\$ 429,378	\$ 151,009	35.2%	\$ 1,933,032
Operating Ratio	151%	175%	-24%	-13.8%	153%	161%	-7%	-4.4%	146%
Operating Ratio - plus Tax & CFD	57%	63%	-5%	-8.7%	60%	62%	-2%	-3.2%	55%



51-5100  
 Division Recreation & Parks  
 Department Event Center Operations

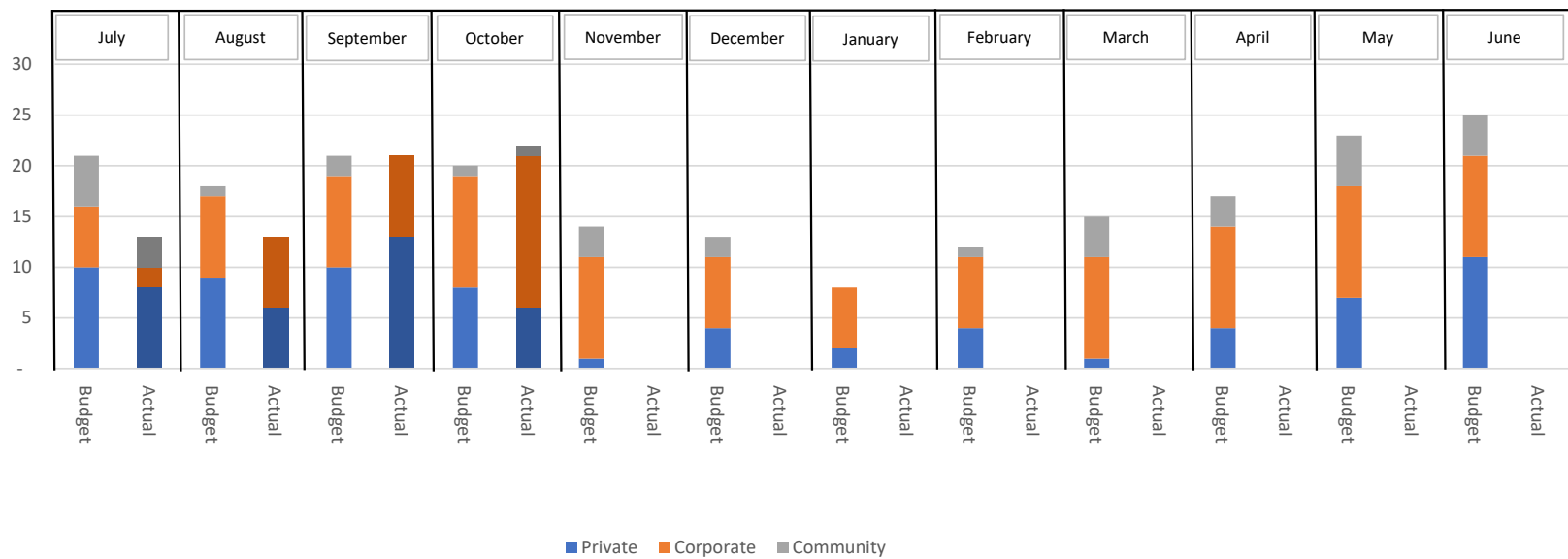
Statement of Revenues and Expenses  
 For the Period Ended October 31, 2024

Income Statement	Month-To-Date					Year-To-Date					Prior YTD
	Actual	Budget	Variance	% Variance		Actual	Budget	Variance	% Variance		
1 Operations											
2 Operating Revenue	\$ 51,911	\$ 46,718	\$ 5,193	11.1%		\$ 200,511	\$ 204,127	\$ (3,616)	-1.8%		\$ 194,741
3 Internal Revenue	6,100	13,035	(6,935)	-53.2%		20,460	26,185	(5,725)	-21.9%		24,533
4 Total Operating Revenue	\$ 58,011	\$ 59,753	\$ (1,742)	-2.9%		\$ 220,971	\$ 230,312	\$ (9,341)	-4.1%		\$ 219,274
5											
6 Salaries and Wages	\$ (29,931)	\$ (31,327)	\$ 1,396	4.5%		\$ (120,764)	\$ (124,076)	\$ 3,312	2.7%		\$ (134,269)
7 Employee Benefits	(15,171)	(17,654)	2,483	14.1%		(58,396)	(67,762)	9,366	13.8%		(63,201)
8 Outside Services/Contractual	(2,297)	(2,745)	448	16.3%		(3,486)	(4,540)	1,054	23.2%		(1,990)
9 Utilities	(4,560)	(4,274)	(286)	-6.7%		(24,419)	(21,326)	(3,093)	-14.5%		(19,657)
10 Other Operating Expenses	(7,770)	(9,150)	1,380	15.1%		(40,592)	(39,120)	(1,472)	-3.8%		(32,360)
11 Insurance	-	-	-	0.0%		-	-	-	0.0%		-
12 Internal Expense	(1,863)	(1,845)	(18)	-1.0%		(7,453)	(7,381)	(72)	-1.0%		(7,059)
13 Debt Service	-	-	-	0.0%		-	-	-	0.0%		-
14 Depreciation	-	-	-	0.0%		-	-	-	0.0%		-
15 Total Operating Expense	\$ (61,592)	\$ (66,995)	\$ 5,403	8.1%		\$ (255,110)	\$ (264,205)	\$ 9,095	3.4%		\$ (258,536)
16											
17 Operating Contribution	\$ (3,581)	\$ (7,242)	\$ 3,661	50.6%		\$ (34,139)	\$ (33,893)	\$ (246)	-0.7%		\$ (39,262)
18											
19 Allocation of Base	\$ -	\$ -	\$ -	0.0%		\$ -	\$ -	\$ -	0.0%		\$ -
20 Allocation of Fleet	-	-	-	0.0%		-	-	-	0.0%		-
21 Allocation of General & Administrative	-	-	-	0.0%		-	-	-	0.0%		-
22 Operating Income(Loss)	\$ (3,581)	\$ (7,242)	\$ 3,661	50.6%		\$ (34,139)	\$ (33,893)	\$ (246)	-0.7%		\$ (39,262)
23											
24 Non-Operations	-	-	-								
25 Property Tax Revenue	\$ -	\$ -	\$ -	0.0%		\$ -	\$ -	\$ -	0.0%		\$ -
26 Community Facilities District (CFD 94-1)	-	-	-	0.0%		-	-	-	0.0%		-
27 Grant Revenue	-	-	-	0.0%		-	-	-	0.0%		-
28 Interest	-	-	-	0.0%		-	-	-	0.0%		-
29 Other Non-Op Revenue	-	-	-	0.0%		-	-	-	0.0%		-
30 Capital Contribution	-	-	-	0.0%		-	-	-	0.0%		-
31 Other Non-Op Expenses	-	-	-	0.0%		-	-	-	0.0%		-
32 Income(Loss)	\$ (3,581)	\$ (7,242)	\$ 3,661	50.6%		\$ (34,139)	\$ (33,893)	\$ (246)	-0.7%		\$ (39,262)
33											
34 Additional Funding Sources											
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%		\$ -	\$ -	\$ -	0.0%		\$ -
36 Transfers	-	-	-	0.0%		-	-	-	0.0%		-
37 Balance	\$ (3,581)	\$ (7,242)	\$ 3,661	50.6%		\$ (34,139)	\$ (33,893)	\$ (246)	-0.7%		\$ (39,262)

## North Tahoe Event Center Reservation Pipeline

		July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Revenue</b>														
	Private	31,555	34,935	38,871	31,341	14,558	16,942	2,302	13,316	7,288	9,631	22,603	42,161	265,503
	Corporate	6,970	15,902	11,907	23,206	27,004	17,948	11,262	10,348	20,189	14,804	22,789	22,774	205,103
	Community	3,150	1,106	2,213	1,106	2,656	1,771	-	885	3,542	2,656	4,427	4,426	27,938
	<b>Budgeted Total Room Rent</b>	<b>41,675</b>	<b>51,943</b>	<b>52,991</b>	<b>55,653</b>	<b>44,218</b>	<b>36,661</b>	<b>13,564</b>	<b>24,549</b>	<b>31,019</b>	<b>27,091</b>	<b>49,819</b>	<b>69,361</b>	<b>498,544</b>
2025	Private	29,585	22,435	55,880	23,443	18,407	2,340	3,400	-	1,540	15,200	29,660	63,820	265,709
	Corporate	5,000	8,618	10,026	24,078	5,920	1,900	-	-	-	-	-	2,890	58,432
	Community	-	-	-	1,050	-	-	-	-	-	-	-	-	1,050
	<b>Actual Total Room Rent</b>	<b>34,585</b>	<b>31,053</b>	<b>65,906</b>	<b>48,571</b>	<b>24,327</b>	<b>4,240</b>	<b>3,400</b>	<b>-</b>	<b>1,540</b>	<b>15,200</b>	<b>29,660</b>	<b>66,710</b>	<b>325,191</b>
2026	Private	22,070	15,300	56,890	8,300	3,400	-	-	-	-	-	-	8,300	114,260
	Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
	Community	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Actual Total Room Rent</b>	<b>22,070</b>	<b>15,300</b>	<b>56,890</b>	<b>8,300</b>	<b>3,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,300</b>	<b>114,260</b>
2027	Private	-	-	-	-	-	-	-	-	-	-	-	-	-
	Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
	Community	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Actual Total Room Rent</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b># Events</b>														
2025	Budgeted Private	10	9	10	8	1	4	2	4	1	4	7	11	71
	Budgeted Corporate	6	8	9	11	10	7	6	7	10	10	11	10	105
	Budgeted Community	5	1	2	1	3	2	-	1	4	3	5	4	31
		<b>21</b>	<b>18</b>	<b>21</b>	<b>20</b>	<b>14</b>	<b>13</b>	<b>8</b>	<b>12</b>	<b>15</b>	<b>17</b>	<b>23</b>	<b>25</b>	<b>207</b>
2025	Actual Private	8	6	13	6	6	1	1	-	1	4	7	11	64
	Actual Corporate	2	7	8	15	4	4	-	-	-	-	-	1	41
	Actual Community	3	-	-	1	47	49	-	1	-	-	-	-	101
		<b>13</b>	<b>13</b>	<b>21</b>	<b>22</b>	<b>57</b>	<b>54</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>7</b>	<b>12</b>	<b>206</b>
2026	Actual Private	6	2	9	1	1	-	-	-	-	-	-	1	20
	Actual Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
	Actual Community	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>6</b>	<b>2</b>	<b>9</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>20</b>
2027	Actual Private	-	-	-	-	-	-	-	-	-	-	-	-	-
	Actual Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
	Actual Community	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

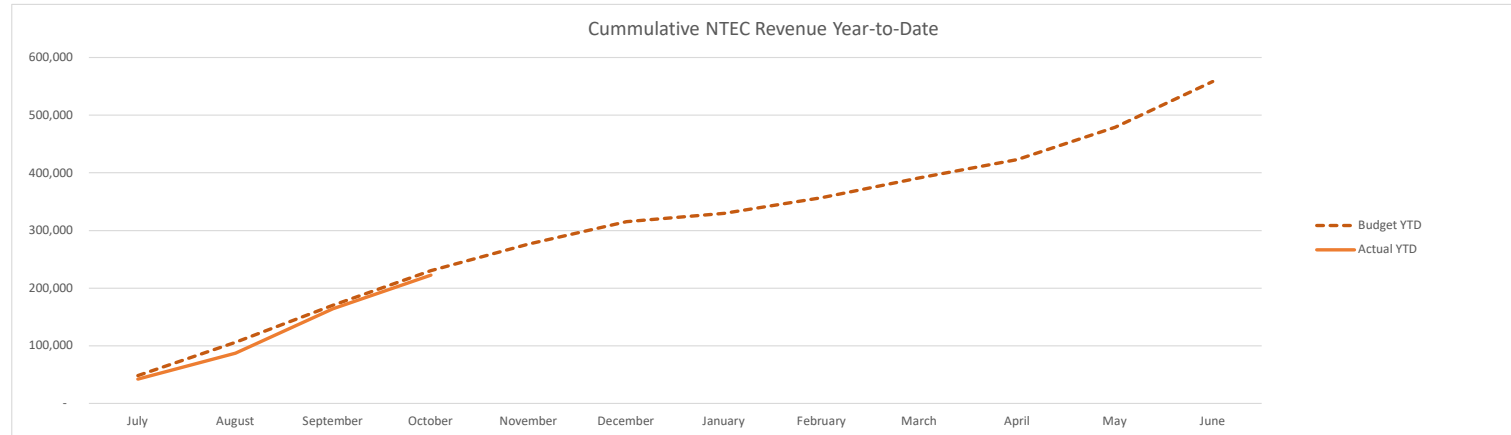
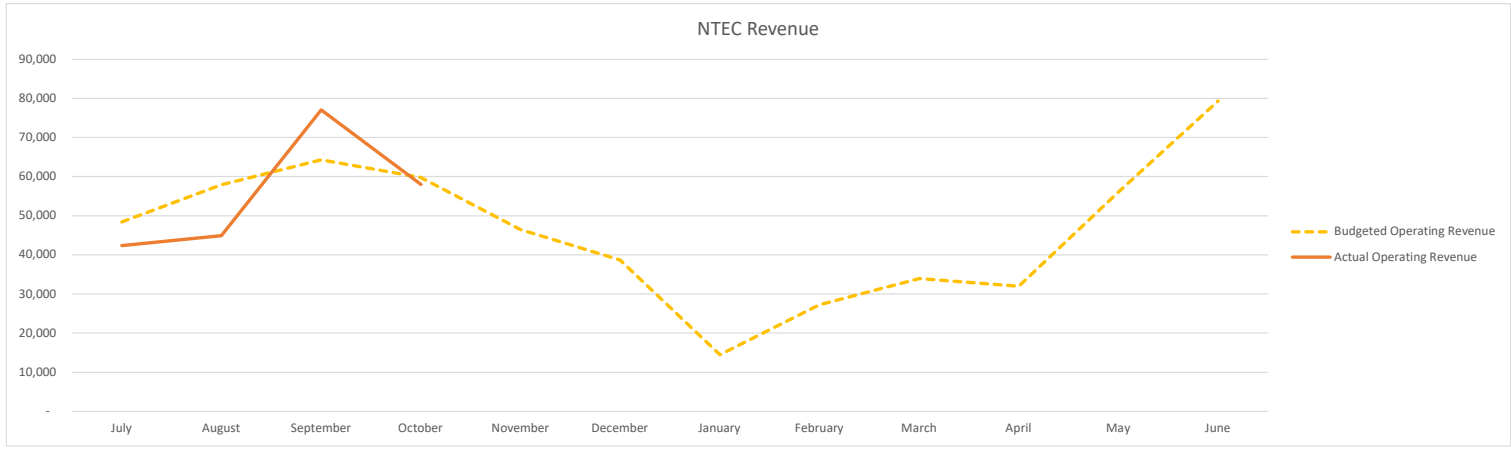
NTEC Number of Events

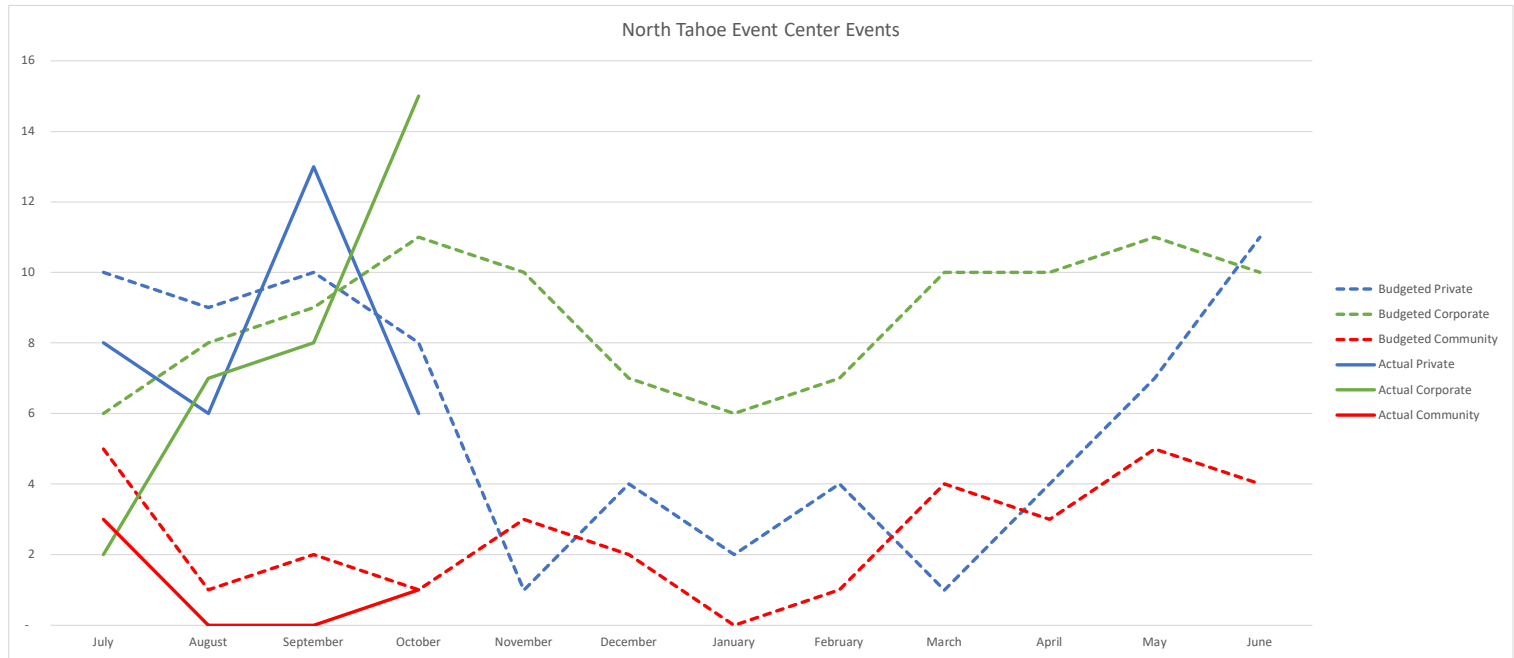




## North Tahoe Event Center FY 2024-25

	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Revenue</b>													
Private	31,555	34,935	38,871	31,341	14,558	16,942	2,302	13,316	7,288	9,631	22,603	42,161	265,503
Corporate	6,970	15,902	11,907	23,206	27,004	17,948	11,262	10,348	20,189	14,804	22,789	22,774	205,103
Community	3,150	1,106	2,213	1,106	2,656	1,771	-	885	3,542	2,656	4,427	4,426	27,938
Budgeted Total Room Rent	41,675	51,943	52,991	55,653	44,218	36,661	13,564	24,549	31,019	27,091	49,819	69,361	498,544
Program Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Ancillary Revenue	6,700	5,950	11,300	4,100	2,200	2,050	900	2,700	2,950	4,850	6,300	10,000	60,000
Budgeted Operating Revenue	48,375	57,893	64,291	59,753	46,418	38,711	14,464	27,249	33,969	31,941	56,119	79,361	558,544
Private	29,585	22,435	55,880	23,443	-	-	-	-	-	-	-	-	131,343
Corporate	5,000	8,618	10,026	24,078	-	-	-	-	-	-	-	-	47,722
Community	-	-	-	1,050	-	-	-	-	-	-	-	-	1,050
Actual Total Room Rent	34,585	31,053	65,906	48,571	-	-	-	-	-	-	-	-	180,115
Program Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Ancillary Revenue	7,754	13,876	11,098	9,440	-	-	-	-	-	-	-	-	42,168
Actual Operating Revenue	42,339	44,929	77,004	58,011	-	-	-	-	-	-	-	-	222,283
Variance to Budget	(6,036)	(12,964)	12,713	(1,742)	(46,418)	(38,711)	(14,464)	(27,249)	(33,969)	(31,941)	(56,119)	(79,361)	(336,261)
<b># Events</b>													
Budgeted Private	10	9	10	8	1	4	2	4	1	4	7	11	71
Budgeted Corporate	6	8	9	11	10	7	6	7	10	10	11	10	105
Budgeted Community	5	1	2	1	3	2	-	1	4	3	5	4	31
	21	18	21	20	14	13	8	12	15	17	23	25	207
Actual Private	8	6	13	6	-	-	-	-	-	-	-	-	33
Actual Corporate	2	7	8	15	-	-	-	-	-	-	-	-	32
Actual Community	3	-	-	1	-	-	-	-	-	-	-	-	4
	13	13	21	22	-	-	-	-	-	-	-	-	69





\* Program & Recreation events reporting to be forthcoming



**Fleet & Equipment Support  
Statement of Revenues and Expenses  
For the Period Ended October 31, 2024**

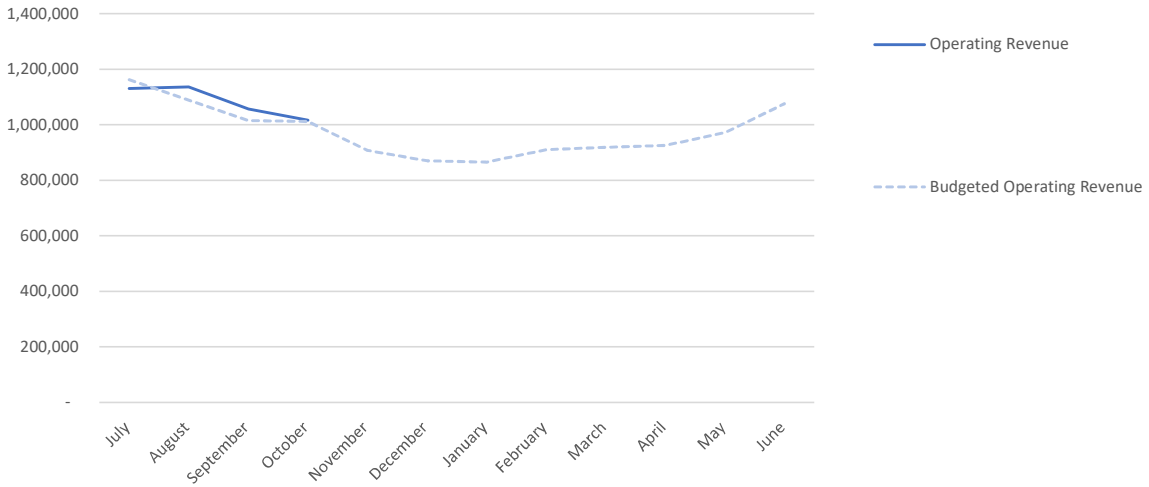
Income Statement	Month-To-Date				Year-To-Date				Prior
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD
<b>1 Operations</b>									
2 Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
3 Internal Revenue	-	-	-	0.0%	-	-	-	0.0%	-
<b>4 Total Operating Revenue</b>	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
5									
6 Salaries and Wages	\$ (12,867)	\$ (13,734)	\$ 867	6.3%	\$ (54,644)	\$ (53,532)	\$ (1,112)	-2.1%	\$ (45,507)
7 Employee Benefits	(7,730)	(8,518)	788	9.3%	(30,631)	(32,695)	2,064	6.3%	(25,016)
8 Outside Services/Contractual	(2,243)	(4,200)	1,957	46.6%	(12,875)	(8,150)	(4,725)	-58.0%	(2,056)
9 Utilities	(568)	(900)	332	36.9%	(2,501)	(3,600)	1,099	30.5%	(2,717)
10 Other Operating Expenses	(13,576)	(9,500)	(4,076)	-42.9%	(79,848)	(124,250)	44,402	35.7%	(51,554)
11 Insurance	(5,142)	(4,676)	(466)	-10.0%	(20,568)	(18,704)	(1,864)	-10.0%	(22,193)
12 Internal Expense	(133)	(140)	7	5.0%	(541)	(559)	18	3.2%	(565)
13 Debt Service	-	-	-	0.0%	-	-	-	0.0%	-
14 Depreciation	(15,398)	(20,778)	5,380	25.9%	(61,302)	(78,726)	17,424	22.1%	(40,592)
<b>15 Total Operating Expense</b>	\$ (57,657)	\$ (62,446)	\$ 4,789	7.7%	\$ (262,910)	\$ (320,216)	\$ 57,306	17.9%	\$ (190,200)
16									
<b>17 Operating Contribution</b>	\$ (57,657)	\$ (62,446)	\$ 4,789	7.7%	\$ (262,910)	\$ (320,216)	\$ 57,306	17.9%	\$ (190,200)
18									
19 Allocation of Base	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
20 Allocation of Fleet	62,446	62,446	-	0.0%	320,216	320,216	-	0.0%	237,091
21 Allocation of General & Administrative	-	-	-	0.0%	-	-	-	0.0%	-
<b>22 Operating Income(Loss)</b>	\$ 4,789	\$ -	\$ 4,789	100.0%	\$ 57,306	\$ -	\$ 57,306	100.0%	\$ 46,891
23									
<b>24 Non-Operations</b>									
25 Property Tax Revenue	\$ 8,333	\$ 8,333	\$ -	0.0%	\$ 33,333	\$ 33,333	\$ -	0.0%	\$ 141,667
26 Community Facilities District (CFD 94-1)	-	-	-	0.0%	-	-	-	0.0%	-
27 Grant Revenue	-	-	-	0.0%	-	-	-	0.0%	-
28 Interest	-	-	-	0.0%	-	-	-	0.0%	-
29 Other Non-Op Revenue	-	-	-	0.0%	-	-	-	0.0%	-
30 Capital Contribution	-	-	-	0.0%	-	-	-	0.0%	-
31 Other Non-Op Expenses	-	-	-	0.0%	-	-	-	0.0%	-
<b>32 Income(Loss)</b>	\$ 13,122	\$ 8,333	\$ 4,789	57.5%	\$ 90,639	\$ 33,333	\$ 57,306	171.9%	\$ 188,558
33									
<b>34 Additional Funding Sources</b>									
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
36 Transfers	-	-	-	0.0%	-	-	-	0.0%	-
<b>37 Balance</b>	\$ 13,122	\$ 8,333	\$ 4,789	57.5%	\$ 90,639	\$ 33,333	\$ 57,306	171.9%	\$ 188,558
Earnings Before Interest, Depreciation & Amortization	\$ 28,520	\$ 29,111	\$ (591)	-2.0%	\$ 151,941	\$ 112,059	\$ 39,882	35.6%	\$ 229,150



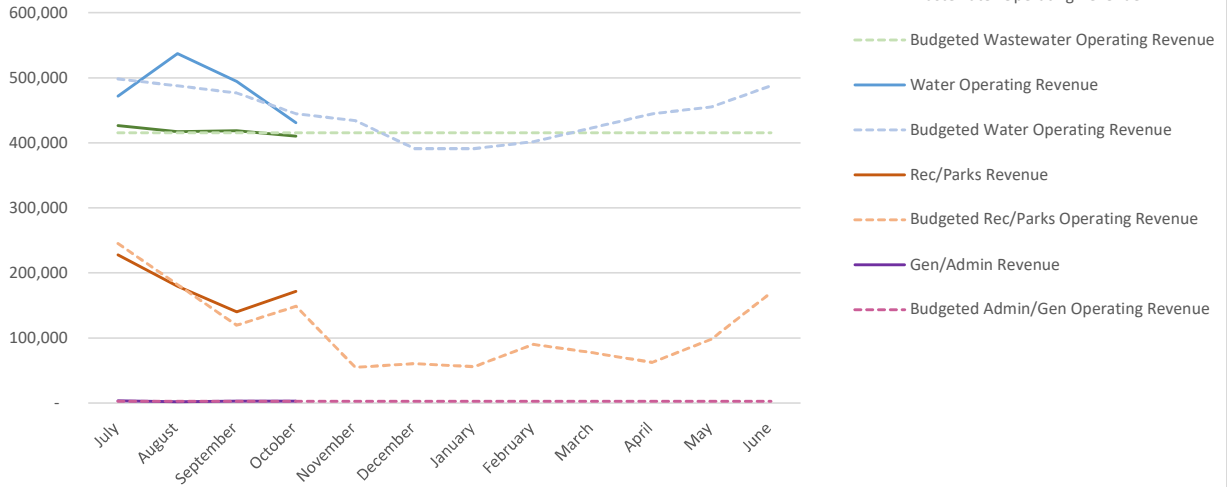
**General & Administrative Support  
Statement of Revenues and Expenses  
For the Period Ended October 31, 2024**

Income Statement	Month-To-Date				Year-To-Date				Prior
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD
<b>1 Operations</b>									
2 Operating Revenue	\$ 3,189	\$ 2,500	\$ 689	27.6%	\$ 11,807	\$ 10,000	\$ 1,807	18.1%	\$ 11,760
3 Internal Revenue	-	-	-	0.0%	-	-	-	0.0%	-
<b>4 Total Operating Revenue</b>	<b>\$ 3,189</b>	<b>\$ 2,500</b>	<b>\$ 689</b>	<b>27.6%</b>	<b>\$ 11,807</b>	<b>\$ 10,000</b>	<b>\$ 1,807</b>	<b>18.1%</b>	<b>\$ 11,760</b>
5									
6 Salaries and Wages	\$ (167,056)	\$ (206,740)	\$ 39,684	19.2%	\$ (778,226)	\$ (848,220)	\$ 69,994	8.3%	\$ (782,540)
7 Employee Benefits	(75,478)	(79,447)	3,969	5.0%	(330,187)	(328,702)	(1,485)	-0.5%	(288,740)
8 Outside Services/Contractual	(57,184)	(46,473)	(10,711)	-23.0%	(266,501)	(332,166)	65,665	19.8%	(216,857)
9 Utilities	(6,247)	(9,747)	3,500	35.9%	(40,327)	(40,008)	(319)	-0.8%	(35,741)
10 Other Operating Expenses	(35,815)	(36,823)	1,008	2.7%	(137,384)	(225,102)	87,718	39.0%	(127,383)
11 Insurance	(8,476)	(8,521)	45	0.5%	(33,904)	(34,086)	182	0.5%	(28,100)
12 Internal Expense	(7,259)	(12,180)	4,921	40.4%	(25,099)	(28,764)	3,665	12.7%	(27,815)
13 Debt Service	-	-	-	0.0%	-	-	-	0.0%	-
14 Depreciation	(4,703)	(4,507)	(196)	-4.3%	(15,054)	(18,028)	2,974	16.5%	(9,612)
<b>15 Total Operating Expense</b>	<b>\$ (362,218)</b>	<b>\$ (404,438)</b>	<b>\$ 42,220</b>	<b>10.4%</b>	<b>\$ (1,626,682)</b>	<b>\$ (1,855,076)</b>	<b>\$ 228,394</b>	<b>12.3%</b>	<b>\$ (1,516,788)</b>
16									
<b>17 Operating Contribution</b>	<b>\$ (359,029)</b>	<b>\$ (401,938)</b>	<b>\$ 42,909</b>	<b>10.7%</b>	<b>\$ (1,614,875)</b>	<b>\$ (1,845,076)</b>	<b>\$ 230,201</b>	<b>12.5%</b>	<b>\$ (1,505,028)</b>
18									
19 Allocation of Base	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
20 Allocation of Fleet	-	-	-	0.0%	-	-	-	0.0%	-
21 Allocation of General & Administrative	358,281	408,238	(49,957)	-12.2%	1,628,878	1,870,278	(241,400)	-12.9%	-
<b>22 Operating Income(Loss)</b>	<b>\$ (748)</b>	<b>\$ 6,300</b>	<b>\$ (7,048)</b>	<b>-111.9%</b>	<b>\$ 14,003</b>	<b>\$ 25,202</b>	<b>\$ (11,199)</b>	<b>-44.4%</b>	<b>\$ (1,505,028)</b>
23									
<b>24 Non-Operations</b>									
25 Property Tax Revenue	\$ 66,667	\$ 66,667	\$ -	0.0%	\$ 266,667	\$ 266,667	\$ -	0.0%	\$ 508,333
26 Community Facilities District (CFD 94-1)	-	-	-	0.0%	-	-	-	0.0%	-
27 Grant Revenue	-	-	-	0.0%	-	-	-	0.0%	-
28 Interest	51,819	8,333	43,486	521.9%	125,002	33,333	91,669	275.0%	57,848
29 Other Non-Op Revenue	7,732	6,447	1,285	19.9%	31,303	25,410	5,893	23.2%	2,553
30 Capital Contribution	-	-	-	0.0%	-	-	-	0.0%	-
31 Other Non-Op Expenses	(26,946)	(8,333)	(18,613)	-223.4%	(53,131)	(33,333)	(19,798)	-59.4%	(33,333)
<b>32 Income(Loss)</b>	<b>\$ 98,524</b>	<b>\$ 79,414</b>	<b>\$ 19,110</b>	<b>24.1%</b>	<b>\$ 383,844</b>	<b>\$ 317,279</b>	<b>\$ 66,565</b>	<b>21.0%</b>	<b>\$ (969,627)</b>
33									
<b>34 Additional Funding Sources</b>									
35 Allocation of Non-Operating Revenue	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -
36 Transfers	-	-	-	0.0%	-	-	-	0.0%	-
<b>37 Balance</b>	<b>\$ 98,524</b>	<b>\$ 79,414</b>	<b>\$ 19,110</b>	<b>24.1%</b>	<b>\$ 383,844</b>	<b>\$ 317,279</b>	<b>\$ 66,565</b>	<b>21.0%</b>	<b>\$ (969,627)</b>
Earnings Before Interest, Depreciation & Amortization	\$ 103,227	\$ 83,921	\$ 19,306	23.0%	\$ 398,898	\$ 335,307	\$ 63,591	19.0%	\$ (960,015)

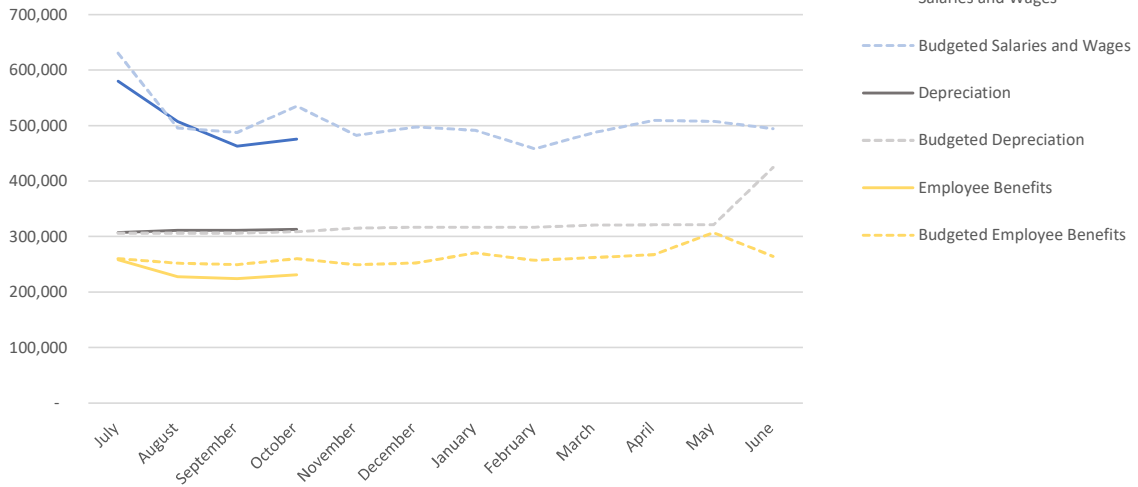
### Operating Revenues Year to Date

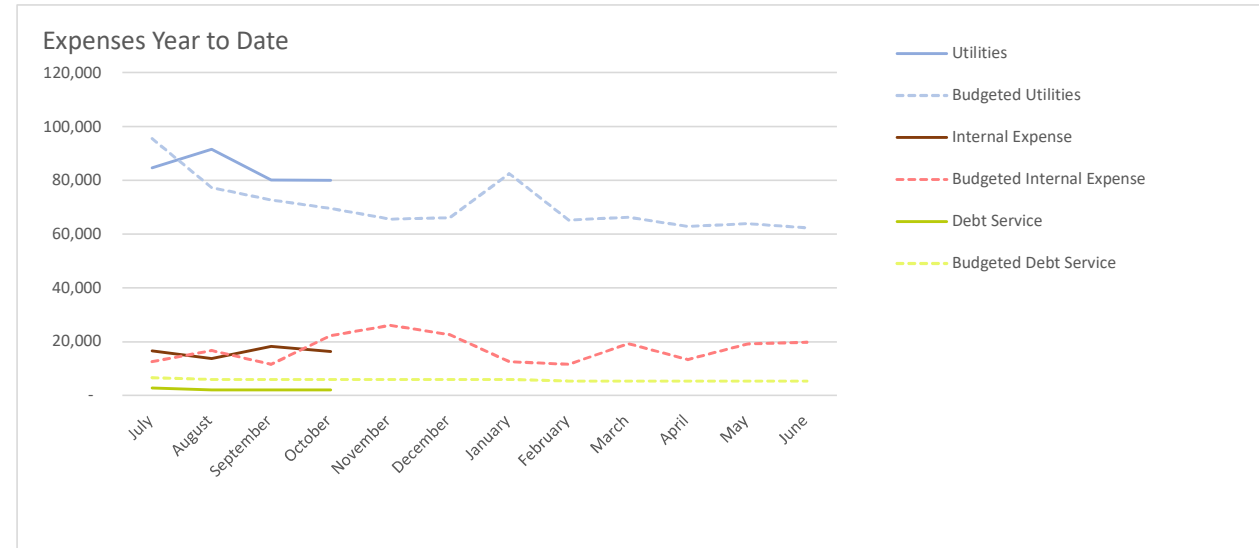
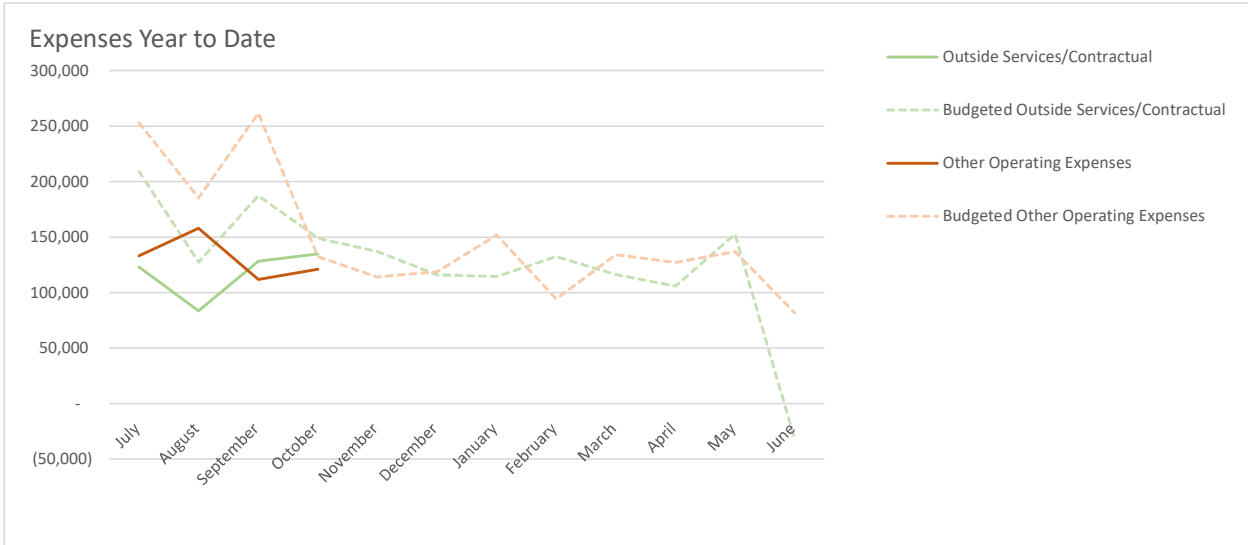


### Enterprise Operating Revenues Year to Date

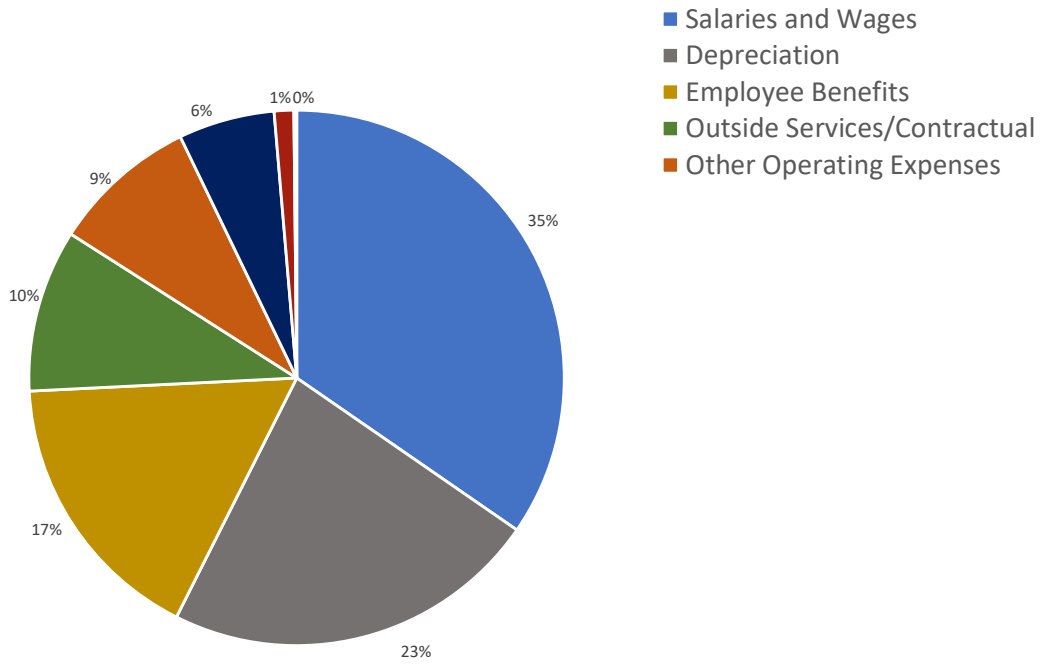


### Expenses Year to Date

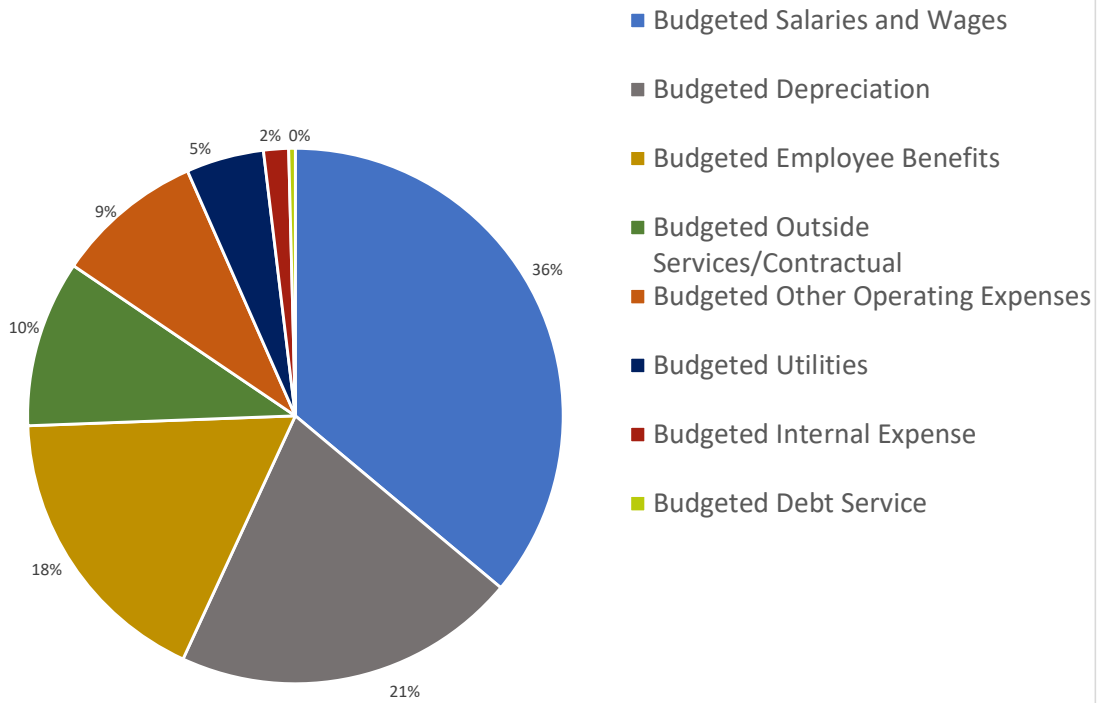




Actual October



Budgeted October





# Capital Outlay

Projects In Process  
For the Period Ended October 31, 2024

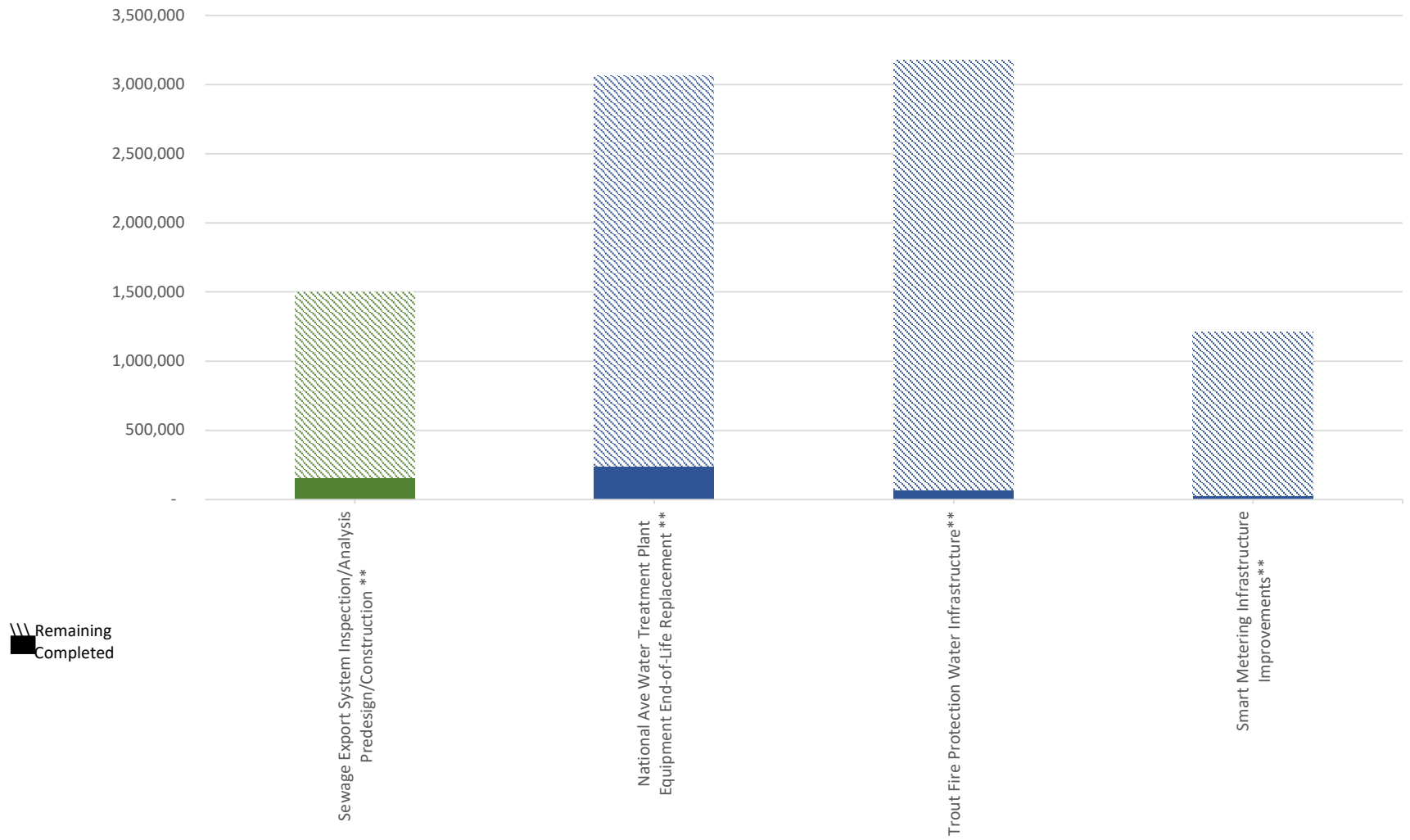
Project Number	Project Description	2025 Adopted Budget	Prior Year Open Project Rollforward	Budget Adjustment	Total Available Budget	Year To Date			Return to Reserves	C = Complete G = Grant Funded	Grant Amount	Grant Funding
						Actual	Encumbered	(Over) Under Budget				
<b>Administration &amp; Base</b>												
2501-0000	Base Administration Building Improvements	\$ 25,000	\$ -	\$ -	25,000	\$ 1,961	\$ -	\$ 23,039				
2151-0000	Master Plan: Corporation Yard Layout *	-	184,683	-	184,683	55,127	51,914	77,642				
2415-0000	Server and Network Equipment Replacement*	-	24,255	-	24,255	7,010	-	17,245	17,245	C		
2515-0000	Server and Network Equipment Replacement	50,000	-	-	50,000	299	-	49,701				
2403-0000	Administration Building Roof Improvements **	-	17,012	-	17,012	3,361	25,820	(12,169)				
2405-0000	Base Facility Detention Pond Fencing*	-	15,686	-	15,686	31,129	-	(15,443)	(15,443)	C		
2503-0000	Administration Building Roof Improvements	250,000	-	-	250,000	4,062	-	245,938				
2505-0000	Base Area Site Improvements	10,000	-	-	10,000	416	-	9,584				
2502-0000	Accounting Department Furniture	20,000	-	-	20,000	2,347	-	17,653				
<b>Total Administration Purchases</b>		<b>\$ 355,000</b>	<b>\$ 241,636</b>	<b>\$ -</b>	<b>\$ 596,636</b>	<b>\$ 105,712</b>	<b>\$ 77,734</b>	<b>\$ 413,191</b>	<b>\$ 1,802</b>		<b>\$ -</b>	
<b>Fleet</b>												
2430-0000	Truck: 3/4 ton 2500HD 4x4 GMC Sierra (qty 4 left to deliver)*	\$ -	\$ 320,711	\$ -	\$ 320,711	\$ -	\$ 245,780	\$ 74,931				
2520-0000	Portable Water Pump	60,000	-	-	60,000	-	-	60,000				
2521-0000	Compact Loader	180,000	-	-	180,000	-	154,574	25,426				
2522-0000	MultiHog Attachments	15,000	-	-	15,000	11,610	-	3,390	3,390	C		
<b>Total Fleet Purchases</b>		<b>\$ 255,000</b>	<b>\$ 320,711</b>	<b>\$ -</b>	<b>\$ 575,711</b>	<b>\$ 11,610</b>	<b>\$ 400,354</b>	<b>\$ 163,747</b>	<b>\$ 3,390</b>		<b>\$ -</b>	
<b>Wastewater</b>												
2244-0000	Packaged Satellite Sewer Pump Station Improvements Project S-1, S-2, N-2, D-2, D-5, S-3*	\$ -	\$ 36,033	\$ -	\$ 36,033	\$ 49,312	-	\$ (13,279)	(13,279)	C		
2540-0000	Lower Lateral CIPP Rehabilitation	70,000	-	-	70,000	617	-	69,383				
2441-0000	Sewer Force Main Improvements*	-	25,000	-	25,000	12,943	-	12,057				
2541-0000	Sewer Force Main Improvements	70,000	-	-	70,000	-	-	70,000				
2542-0000	Lower Lateral Replacement	70,000	-	-	70,000	-	-	70,000				
2543-0000	Sewer Collection System Improvements	70,000	-	-	70,000	-	-	70,000				
Sewage Export System Inspection/Analysis												
2445-0000	Pre-design/Construction **	100,000	143,562	-	243,562	9,071	108,928	125,563				
2446-0000	Satellite PS Rehabilitation Design*	-	81,132	-	81,132	64,631	21,227	(4,725)				
2549-0000	SCADA Infrastructure Improvements	25,000	-	-	25,000	8,791	-	16,209				
2552-0000	Sewage Pump Station Improvements	60,000	-	-	60,000	-	-	60,000				
2550-0021	Pavement Maintenance - Slurry Seal - Wastewater	20,500	-	-	20,500	12,875	-	7,626				
2547-0000	Satellite PS Improvements Project - 3 Stations Phase 1	100,000	-	-	100,000	-	-	100,000				
2548-0000	State Route 28 Adjust Structures - Wastewater	65,000	-	-	65,000	-	-	65,000				
<b>Total Wastewater Purchases</b>		<b>\$ 650,500</b>	<b>\$ 285,727</b>	<b>\$ -</b>	<b>\$ 936,227</b>	<b>\$ 158,239</b>	<b>\$ 130,155</b>	<b>\$ 647,833</b>	<b>\$ (13,279)</b>		<b>\$ -</b>	

# Capital Outlay

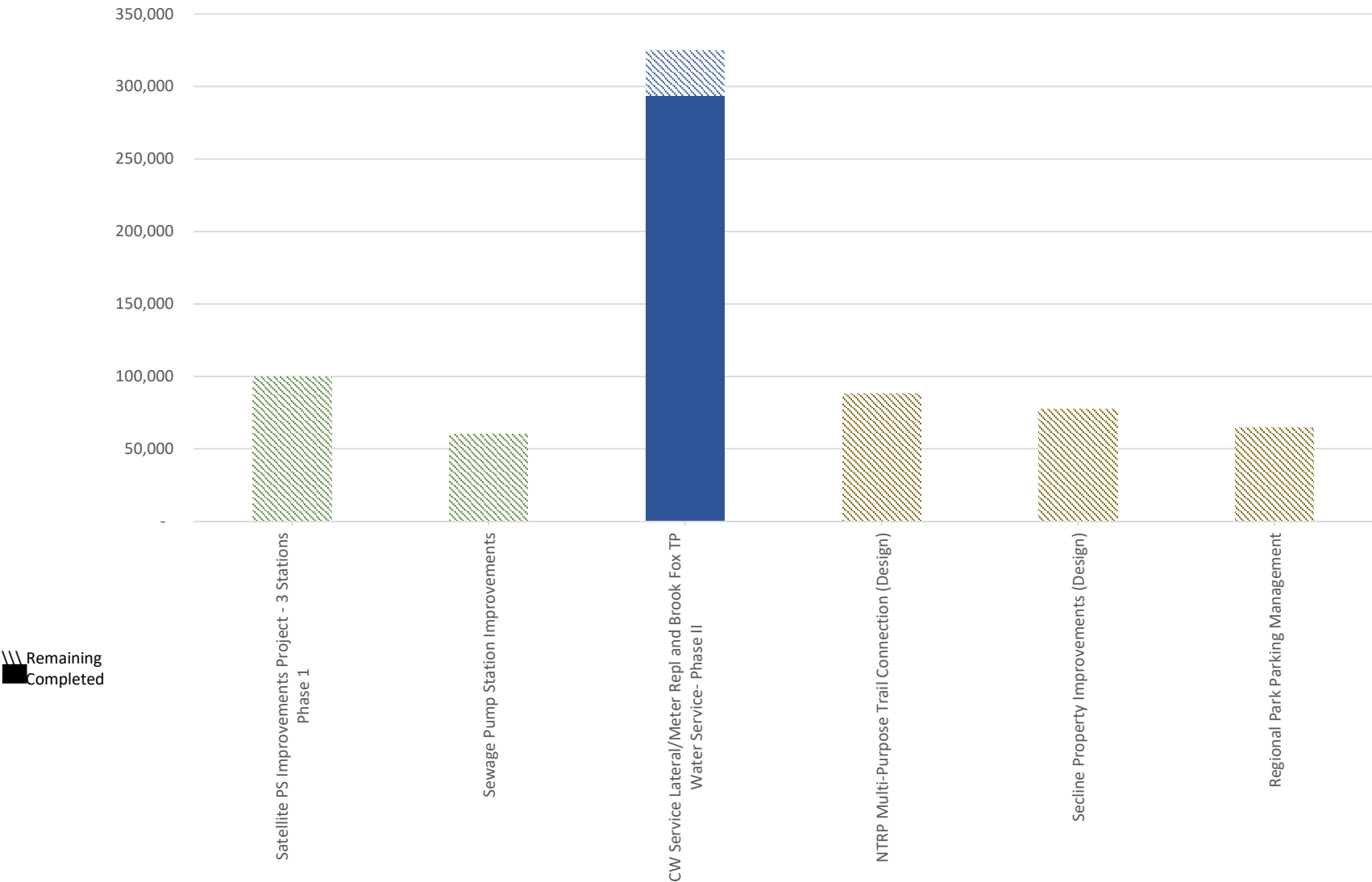
Projects In Process  
For the Period Ended October 31, 2024



Project Number	Project Description	2025 Adopted Budget	Prior Year Open Project Rollforward	Budget Adjustment	Total Available Budget	Year To Date			Return to Reserves	C = Complete G = Grant Funded	Grant Amount	Grant Funding
						Actual	Encumbered	(Over) Under Budget				
<b>Water</b>												
2361-0000	Brockway Drinking Water and Fire Protection Infrastructure*	\$ 2,600,000	\$ 192,426	\$ -	\$ 2,792,426	\$ 1,388,487	\$ 784,325	\$ 619,614		G	743,568	27%
	National Ave Water Treatment Plant Equipment End-of-Life											
2464-0000	Replacement **	125,000	141,986	-	266,986	87,451	158,060	21,475				
2465-0000	Trout Fire Protection Water Infrastructure**	25,000	-	-	25,000	18,810	-	6,190				
2570-0000	Water PS Mechanical and Electrical Improvements	70,000	-	-	70,000	24,040	-	45,960				
2571-0000	Water Facility Improvements	70,000	-	-	70,000	-	-	70,000				
2550-0031	Pavement Maintenance - Slurry Seal - Water	25,000	-	-	25,000	3,929	-	21,071				
2562-0000	Smart Metering Infrastructure Improvements**	60,000	-	-	60,000	24,715	-	35,285				
2472-0000	Carnelian Woods Booster Station 2 Pump*	-	(7,851)	-	(7,851)	34,035	9,765	(51,651)				
2560-0000	CW Service Lateral/Meter Repl and Brook Fox TP Water Service-Phase II	325,000	-	-	325,000	293,580	18,782	12,638				
	<b>Total Water Purchases</b>	<b>\$ 3,300,000</b>	<b>\$ 326,561</b>	<b>\$ -</b>	<b>\$ 3,626,561</b>	<b>\$ 1,875,046</b>	<b>\$ 970,932</b>	<b>\$ 780,583</b>	<b>\$ -</b>		<b>\$ 743,568</b>	
<b>Recreation and Parks</b>												
2481-0000	Joint Needs Analysis - NTPUD/TCPUD Phase III *	\$ -	\$ 58,037	\$ -	\$ 58,037	\$ (832)	\$ 3,178	\$ 55,691		#		
2040-PLC	Wayfinding and Destination Signage Project	140,000	-	-	140,000	-	16,897	123,103		G	69,894	50%
2284-0000	NTEC Architectural Planning Study *	-	21,986	-	21,986	1,708	-	20,278				
2486-0000	Pickleball Plaza Improvements *	300,000	(17,103)	-	282,897	-	4,478	278,419				
2192-0000	NTEC Emergency Generator *	160,000	228,068	-	388,068	20,661	380,107	(12,700)		G	154,379	40%
2590-0000	NTEC - Furnishings, Fixtures and Building Improvements	50,000	-	-	50,000	3,963	-	46,037				
2482-0000	Park Facility Improvements*	-	(40,243)	-	(40,243)	5,375	-	(45,618)	(45,618)	C		
2582-0000	Park Facility Improvements	80,000	-	-	80,000	17,462	-	62,538				
2550-0043	Pavement Maintenance - Slurry Seal - Parks	60,000	-	-	60,000	31,035	-	28,965				
2484-0000	NTRP Multi-Purpose Trail Connection (Design)	150,000	-	-	150,000	61,863	69,796	18,341		G	83,349	56%
2580-0000	Secline Property Improvements (Design)	120,000	-	-	120,000	42,651	260,416	(183,067)		G	80,000	67%
2581-0000	Regional Park Parking Management	70,000	-	-	70,000	5,389	41,568	23,044				
2591-0000	NTEC - Bathroom Remodel (Design)	50,000	-	-	50,000	3,596	-	46,404				
	<b>Total Recreation and Parks Purchases</b>	<b>\$ 1,180,000</b>	<b>\$ 250,745</b>	<b>\$ -</b>	<b>\$ 1,430,745</b>	<b>\$ 192,871</b>	<b>\$ 776,440</b>	<b>\$ 461,434</b>	<b>\$ (45,618)</b>		<b>\$ 387,621</b>	
*	Project carry-over from Prior Year											
**	Multi-year encumbrance - on 5 year CIP											
#	Non-grant cost reimbursement											
	<b>Administration &amp; Base</b>	<b>\$ 355,000</b>	<b>\$ 241,636</b>	<b>\$ -</b>	<b>\$ 596,636</b>	<b>\$ 105,712</b>	<b>\$ 77,734</b>	<b>\$ 413,191</b>	<b>\$ 1,802</b>		<b>\$ -</b>	
	<b>Fleet</b>	<b>255,000</b>	<b>320,711</b>	<b>-</b>	<b>575,711</b>	<b>11,610</b>	<b>400,354</b>	<b>163,747</b>	<b>3,390</b>		<b>-</b>	
	<b>Wastewater</b>	<b>650,500</b>	<b>285,727</b>	<b>-</b>	<b>936,227</b>	<b>158,239</b>	<b>130,155</b>	<b>647,833</b>	<b>(13,279)</b>		<b>-</b>	
	<b>Water</b>	<b>3,300,000</b>	<b>326,561</b>	<b>-</b>	<b>3,626,561</b>	<b>1,875,046</b>	<b>970,932</b>	<b>780,583</b>	<b>-</b>		<b>743,568</b>	
	<b>Recreation and Parks</b>	<b>1,180,000</b>	<b>250,745</b>	<b>-</b>	<b>1,430,745</b>	<b>192,871</b>	<b>776,440</b>	<b>461,434</b>	<b>(45,618)</b>		<b>387,621</b>	
	<b>Total Capital Expenditures</b>	<b>\$ 5,740,500</b>	<b>\$ 1,425,380</b>	<b>\$ -</b>	<b>\$ 7,165,880</b>	<b>\$ 2,343,478</b>	<b>\$ 2,355,614</b>	<b>\$ 2,466,788</b>	<b>\$ (53,705)</b>		<b>\$ 1,131,189</b>	

### Multi-Year Capital Projects \$1M and Above

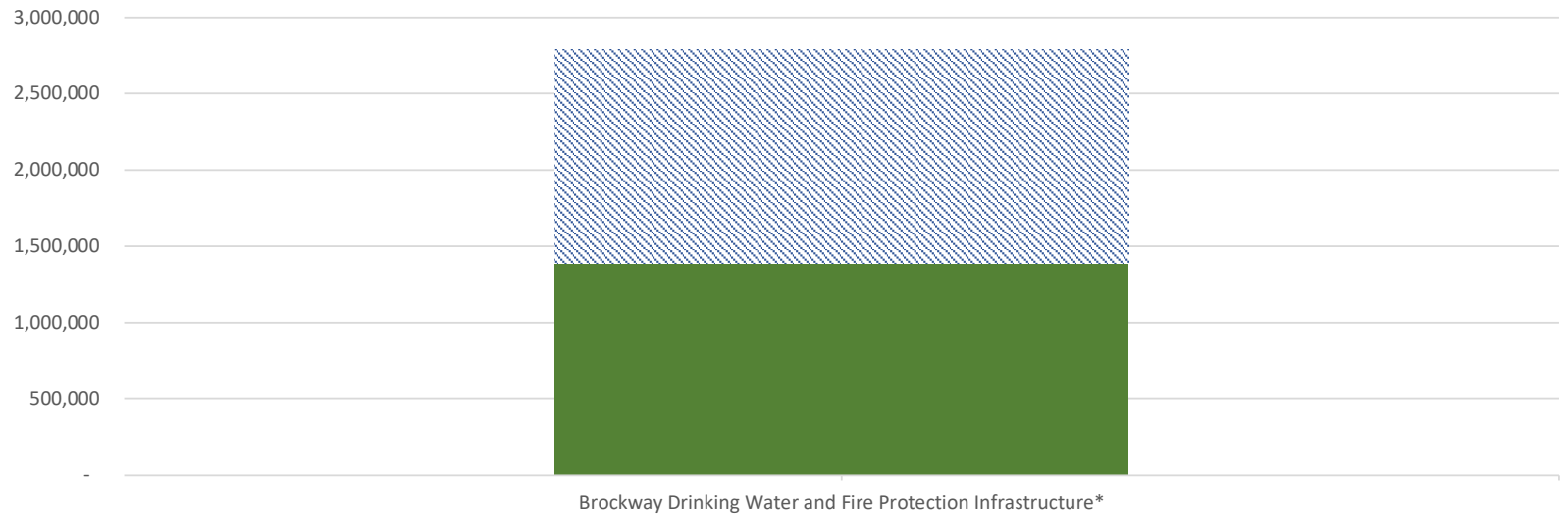


### Multi-Year Capital Projects under \$1M



 Remaining  
 Completed

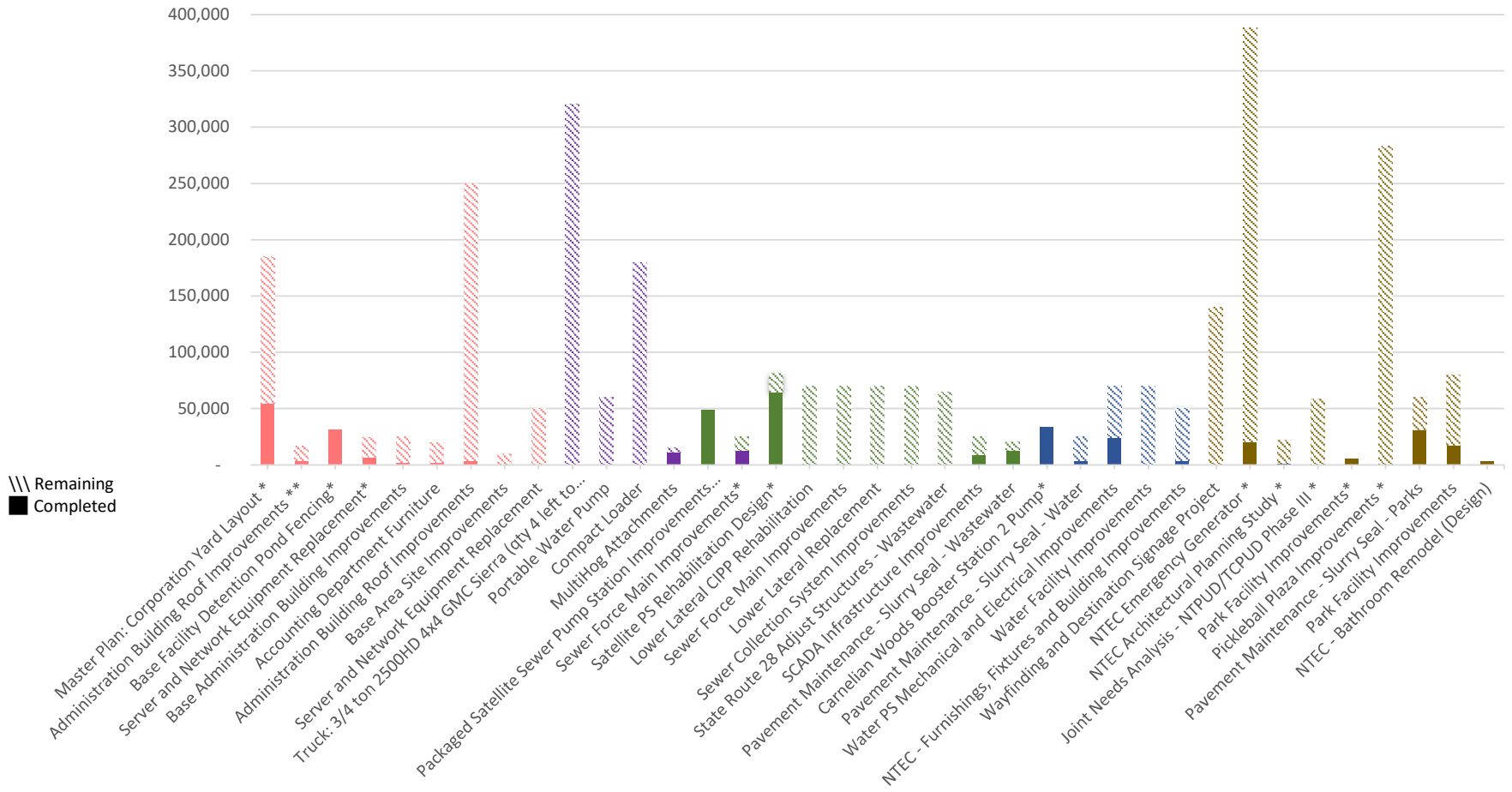
### FY 24-25 Capital Projects \$500,000 and Above



Remaining  
Completed

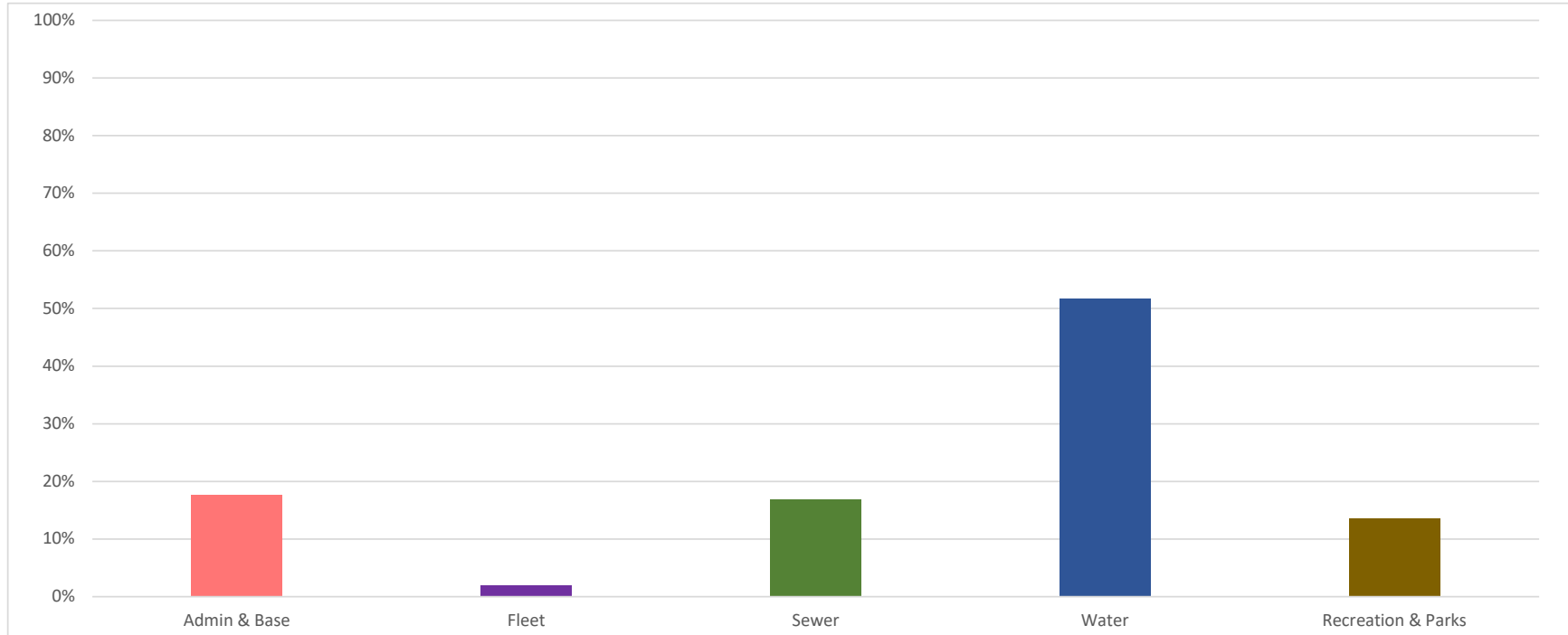
\*\* Multi-year encumbrance

### FY 24-25 Capital Projects under \$500,000



### Capital Projects Expended by Enterprise as % of Current Year Budget for Enterprise

Total      \$    596,636                      \$    575,711                      \$    936,227                      \$    3,626,561                      \$    1,430,745





**Consolidated Balance Sheet**  
**For the Period Ended October 31, 2024**

	Current Month	Prior Month	FYE 2024
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	\$ 7,922,097	\$ 9,175,227	\$ 9,313,951
Investments	1,392,772	1,603,333	2,073,333
Due (To)/From Other Fund	-	-	-
Accounts Receivable	3,612,407	3,099,211	1,494,773
Inventory	206,889	206,889	206,889
Deposits and Prepaid Expenses	343,018	410,667	715,379
<b>Total Current Assets</b>	<b>\$ 13,477,184</b>	<b>\$ 14,495,327</b>	<b>\$ 13,804,325</b>
<b>Restricted Assets</b>			
Cash & Cash Equivalents	\$ 444,799	\$ 444,799	\$ 444,799
Accounts Receivable	844,439	270,577	246,382
Deposits and Prepaid Expenses	-	-	-
<b>Total Restricted Assets</b>	<b>\$ 1,289,238</b>	<b>\$ 715,376</b>	<b>\$ 691,181</b>
<b>Non-Current Assets</b>			
Subscription Asset	\$ 591,637	\$ 591,637	\$ 591,637
Accumulated Amortization	(249,834)	(249,834)	(249,834)
<b>Net Subscription Asset (New GASB 96)</b>	<b>\$ 341,803</b>	<b>\$ 341,803</b>	<b>\$ 341,803</b>
<b>Property, Plant &amp; Equipment</b>			
Work in Process	\$ 3,033,607	\$ 2,873,108	\$ 2,714,789
Land	7,123,368	7,123,368	7,123,368
Property Rights	15,237	15,237	15,237
Buildings and Improvements	31,732,285	31,683,375	31,631,476
Vehicles and Equipment	8,855,688	8,844,078	8,844,078
Furniture and Office Equipment	2,013,093	1,980,339	1,980,339
Water System	48,750,810	48,746,881	48,746,881
Sewer System	43,153,549	43,153,549	41,231,128
Subtotal - Property, Plant & Equipment	144,677,637	144,419,935	142,287,296
Accumulated Depreciation	(73,289,923)	(72,976,738)	(72,046,434)
<b>Net Property, Plant &amp; Equipment</b>	<b>\$ 71,387,714</b>	<b>\$ 71,443,197</b>	<b>\$ 70,240,862</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 2,139,366</b>	<b>\$ 2,139,366</b>	<b>\$ 2,139,366</b>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>\$ 88,635,305</b>	<b>\$ 89,135,069</b>	<b>\$ 87,217,537</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 141,505	\$ 1,473,808	\$ 415,229
Deferred Revenue	158,438	171,167	254,498
Compensated Absences Payable	815,212	866,923	796,232
Accrued Liabilities	764,378	955,644	806,169
Current Portion of Long-Term Debt	416,452	416,452	416,452
	2,295,985	3,883,994	2,688,579
<b>Current Liabilities (Payable from Restricted Assets)</b>			
Deferred Grant Revenue	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
<b>Total Current Liabilities</b>	<b>\$ 2,295,985</b>	<b>\$ 3,883,994</b>	<b>\$ 2,688,579</b>
<b>Non-Current Liabilities</b>			





**Consolidated Balance Sheet**  
**For the Period Ended October 31, 2024**

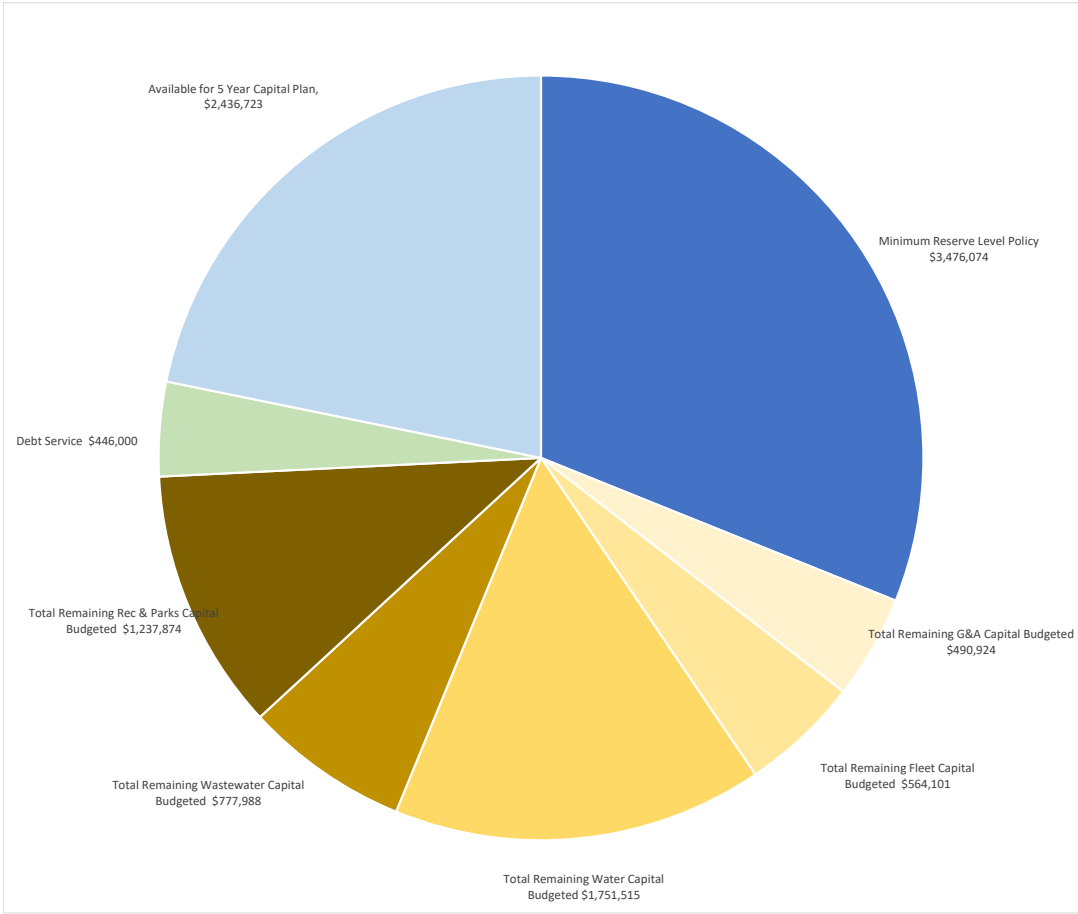
	Current Month	Prior Month	FYE 2024	
Long-Term Debt, Net of Current Portion	\$ 395,277	\$ 395,277	\$ 601,467	
Net Pension Liability	674,113	674,113	674,113	
<b>Total Long Term Liabilities</b>	<b>\$ 1,069,390</b>	<b>\$ 1,069,390</b>	<b>\$ 1,275,580</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 83,840</b>	<b>\$ 83,840</b>	<b>\$ 83,840</b>	
<b>NET POSITION</b>				
Net Investment in Capital Assets (Net of Debt)	\$ 70,575,985	\$ 70,631,467	\$ 69,222,942	
Debt Services	445,936	445,936	445,936	
Net Restricted Assets	1,289,238	715,376.13	691,181.36	
Unrestricted	10,858,379	11,376,758	8,344,877	
Current Year Income / (Loss)	2,016,552	928,307	4,464,601	
<b>Balance</b>	<b>\$ 85,186,089</b>	<b>\$ 84,097,845</b>	<b>\$ 83,169,537</b>	
<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; FUND BALANCE</b>	<b>\$ 88,635,305</b>	<b>\$ 89,135,069</b>	<b>\$ 87,217,537</b>	
<b>Ratios</b>	Median	NTPUD	NTPUD	FYE 2024
Days in Cash (Cash/Operating Expenses less Depreciation)	296	224	268	
Days of Working Capital (Reserves/Operating Expenses less Depreciation)	92	318	333	
Debt Ratio (Total Liabilities/Total Assets)	36%	4%	4%	5%
Return on Assets (Net Income/Total Assets)	2.5%	5.2%	5.1%	5.2%
Debt Service Coverage Ratio	1.3			
<b>Reserves</b>				
Unrestricted Reserves	\$ 11,181,199	\$ 10,675,543	\$ 11,115,745	
Minimum Reserve Level Policy	(3,476,074)	(3,476,074)	(3,057,239)	
<b>Available for Investment</b>	<b>\$ 7,705,125</b>	<b>\$ 7,199,469</b>	<b>\$ 8,058,506</b>	
Additional FY 2025 EBIDA	4,132,201	4,871,776		
Total Available	\$ 11,837,326	\$ 12,071,245		
Total Remaining FY 2025 Capital Budgeted	(4,766,653)	(6,781,425)		
Debt Service	\$ (446,000)	\$ (446,000)		
<b>Unbudgeted</b>	<b>\$ 6,624,673</b>	<b>\$ 4,843,820</b>		

**NTPUD (consolidated)**  
**Statement of Cash Flows**  
**For the Period Ended October 31, 2024**  
(In Thousands)

	<u>Current Month</u>	<u>Year-to Date</u>
<b>Operating Activities</b>		
Net Income (Loss)	\$1,088,245	\$2,016,551
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	313,185	1,243,489
Net changes in operating assets and liabilities:		
(Increase)/Decrease Account Receivables	(513,197)	(2,117,634)
(Increase)/Decrease Inventories	-	-
(Increase)/Decrease Deposits & Prepaid expenses	67,649	372,361
(Increase)/Decrease Deferred Outflows	-	-
(Decrease)/Increase Payables & Accrued Liabilities	(1,588,009)	(392,593)
(Decrease)/Increase Deferred Grant Revenue	-	-
(Decrease)/Increase in Deferred Inflows	-	-
<b>Net Cash Provided (Used) by operating activities</b>	<b>(632,126)</b>	<b>1,122,173</b>
<b>Investing Activities</b>		
Change in Restricted Assets	(573,862)	(598,056)
Change in Subscription Assets	-	-
Net Purchases of property, plant and equipment	(257,702)	(2,390,341)
<b>Net Cash Provided (Used) by investing activities</b>	<b>(831,564)</b>	<b>(2,988,397)</b>
<b>Financing Activities</b>		
Change in Capital Loan	-	(206,190)
Change in Net Pension Liability	-	-
<b>Net Cash Provided (Used) by financing activities</b>	<b>-</b>	<b>(206,190)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,463,690)</b>	<b>(2,072,414)</b>
<b>Cash and Equivalents at beginning of period</b>	<b>10,778,560</b>	<b>11,387,283</b>
<b>Cash and Equivalents at end of period</b>	<b>\$9,314,870</b>	<b>\$9,314,870</b>

**North Tahoe Public Utility District**  
**As Of 10/31/2024**

Total Reserve Funds of \$11,181,199 of which \$3,476,074 is Restricted as Minimum Reserve



Changes in Reserves from Prior Month	
Minimum Reserve	\$ -
Debt Service	-
Future Capital	827,568
Capital	(257,702)
<b>Total</b>	<b>\$ 569,866</b>

Total Remaining Capital Budgeted is in reference to current year budget



**Trended by Month**  
**Statement of Revenues and Expenses**  
**For the Period Ended October 31, 2024**

Income Statement	Actual July	Actual August	Actual September	Actual October	Budget November	Budget December	Budget January	Budget February	Budget March	Budget April	Budget May	Budget June	Expected Total	Budgeted Total	Variance
<b>Operations</b>															
Operating Revenue	\$ 1,129,401	\$ 1,136,326	\$ 1,056,042	\$ 1,016,144	\$ 906,795	\$ 869,690	\$ 864,943	\$ 909,953	\$ 918,637	\$ 925,143	\$ 971,570	\$ 1,075,100	\$ 11,779,744	\$ 11,717,208	\$ 62,536
Internal Revenue	16,549	13,728	18,289	16,310	26,087	22,587	12,587	11,587	19,272	13,387	19,187	19,747	209,317	207,577	1,740
Total Operating Revenue	\$ 1,145,950	\$ 1,150,054	\$ 1,074,331	\$ 1,032,454	\$ 932,882	\$ 892,277	\$ 877,530	\$ 921,540	\$ 937,909	\$ 938,530	\$ 990,757	\$ 1,094,847	\$ 11,989,061	\$ 11,924,785	\$ 64,276
Salaries and Wages	\$ (579,824)	\$ (507,077)	\$ (462,967)	\$ (475,538)	\$ (482,248)	\$ (497,376)	\$ (491,470)	\$ (458,107)	\$ (487,311)	\$ (509,184)	\$ (507,682)	\$ (494,266)	\$ (5,953,050)	\$ (6,075,729)	\$ 122,679
Employee Benefits	(258,188)	(227,474)	(239,904)	(230,886)	(249,226)	(252,270)	(270,441)	(256,956)	(262,131)	(267,306)	(307,001)	(264,262)	(3,070,045)	(3,150,848)	80,803
Outside Services/Contractual	(123,056)	(83,520)	(128,130)	(134,966)	(136,854)	(116,122)	(114,436)	(132,374)	(116,240)	(105,778)	(152,728)	31,832	(1,312,372)	(1,515,676)	203,304
Utilities	(84,558)	(91,472)	(80,095)	(79,961)	(65,515)	(66,110)	(82,416)	(65,170)	(66,240)	(62,805)	(63,875)	(62,300)	(870,517)	(849,392)	(21,125)
Other Operating Expenses	(133,327)	(157,899)	(111,824)	(120,992)	(114,161)	(118,873)	(151,955)	(94,358)	(134,098)	(127,088)	(137,008)	(81,803)	(1,483,386)	(1,791,442)	308,056
Insurance	(36,583)	(36,583)	(36,583)	(36,583)	(36,512)	(36,512)	(36,512)	(36,512)	(36,512)	(44,714)	(44,714)	(44,714)	(463,034)	(462,751)	(283)
Internal Expense	(16,549)	(13,728)	(18,289)	(16,310)	(26,087)	(22,587)	(12,587)	(11,587)	(19,272)	(13,387)	(19,187)	(19,747)	(209,317)	(207,577)	(1,740)
Debt Service	(2,796)	(2,118)	(2,118)	(2,118)	(2,118)	(2,118)	(2,118)	(2,118)	(1,426)	(1,426)	(1,426)	(21,426)	(43,326)	(43,997)	671
Depreciation	(307,431)	(311,436)	(311,436)	(313,185)	(315,298)	(316,814)	(316,814)	(316,814)	(320,713)	(321,046)	(321,046)	(424,412)	(3,896,445)	(3,879,686)	(16,759)
Total Operating Expense	\$ (1,542,312)	\$ (1,431,307)	\$ (1,375,346)	\$ (1,410,539)	\$ (1,428,019)	\$ (1,428,782)	\$ (1,478,749)	\$ (1,373,996)	\$ (1,443,943)	\$ (1,452,734)	\$ (1,554,667)	\$ (1,381,098)	\$ (17,301,492)	\$ (17,977,098)	\$ 675,606
Operating Income(Loss)	\$ (396,362)	\$ (281,253)	\$ (301,015)	\$ (378,085)	\$ (495,137)	\$ (536,505)	\$ (601,219)	\$ (452,456)	\$ (506,034)	\$ (514,204)	\$ (563,910)	\$ (286,251)	\$ (5,312,431)	\$ (6,052,313)	\$ 739,882
<b>Non-Operations</b>															
Property Tax Revenue	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 6,900,000	\$ 6,900,000	\$ -
Community Facilities District (CFD 94-1)	58,095	58,095	58,095	58,095	56,908	56,908	56,908	56,908	56,908	56,908	56,908	56,908	687,644	682,900	4,744
Grant Revenue	-	-	32,228	706,763	-	248,000	-	-	-	-	-	210,000	1,196,991	458,000	738,991
Interest	7,154	42,709	23,321	51,819	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	191,667	100,000	91,667
Other Non-Op Revenue	6,247	7,855	9,641	103,390	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	178,709	76,989	101,720
Capital Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Op Expenses	(11,704)	(75,430)	(34,368)	(28,737)	(8,333)	(8,333)	(8,333)	(8,333)	(8,333)	(8,333)	(8,333)	(172,390)	(380,960)	(264,057)	(116,903)
Income(Loss)	\$ 238,430	\$ 326,976	\$ 362,902	\$ 1,088,245	\$ 143,218	\$ 349,850	\$ 37,136	\$ 185,899	\$ 132,321	\$ 124,151	\$ 74,445	\$ 398,047	\$ 3,461,620	\$ 1,901,519	\$ 1,560,101
<b>Additional Funding Sources</b>															
Allocation of Non-Operating Revenue	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance	\$ 238,430	\$ 326,976	\$ 362,902	\$ 1,088,245	\$ 143,218	\$ 349,850	\$ 37,136	\$ 185,899	\$ 132,321	\$ 124,151	\$ 74,445	\$ 398,047	\$ 3,461,620	\$ 1,901,519	\$ 1,560,101
Operating Income	\$ (396,362)	\$ (281,253)	\$ (301,015)	\$ (378,085)	\$ (495,137)	\$ (536,505)	\$ (601,219)	\$ (452,456)	\$ (506,034)	\$ (514,204)	\$ (563,910)	\$ (286,251)	\$ (5,312,431)	\$ (6,052,313)	\$ 739,882
Net Income(Loss)	\$ 238,430	\$ 326,976	\$ 362,902	\$ 1,088,245	\$ 143,218	\$ 349,850	\$ 37,136	\$ 185,899	\$ 132,321	\$ 124,151	\$ 74,445	\$ 398,047	\$ 3,461,620	\$ 1,901,519	\$ 1,560,101
Earnings Before Interest, Depreciation & Amortization	\$ 548,657	\$ 640,530	\$ 676,456	\$ 1,403,548	\$ 460,634	\$ 668,782	\$ 356,068	\$ 504,831	\$ 454,460	\$ 446,623	\$ 396,917	\$ 843,885	\$ 7,401,391	\$ 5,825,202	\$ 1,576,189
Operating Ratio	135%	124%	128%	137%	153%	160%	169%	149%	154%	155%	157%	126%	144%	151%	-1051%
Operating Ratio - plus Tax & CFD	87%	80%	81%	85%	91%	94%	98%	88%	92%	93%	96%	80%	88%	92%	-979%
Debt Service Coverage Ratio	85.28	154.38	171.34	513.81	67.62	165.18	17.53	87.77	92.79	87.06	52.21	18.58	79.90	43.22	(2,325.04)



Consolidated Balance Sheet  
For the Period Ended October 31, 2024

Division Balance Sheet  
For the Period Ended October 31, 2024

	Wastewater	Water	Recreation & Parks	Fleet & Equipment	Base	General & Administrative	General & Administrative and Base	Total
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash & Cash Equivalents	\$ -	\$ 445,936	\$ 1,887	\$ -	\$ -	\$ 7,474,275	\$ 7,474,275	\$ 7,922,097
Investments	-	-	-	-	-	1,392,772	1,392,772	1,392,772
Due (To)/From Other Fund	2,655,307	628,132	820,509	555,091	433,626	(5,092,665)	(4,659,039)	-
Accounts Receivable	-	51,924	402,183	-	-	3,158,300	3,158,300	3,612,407
Inventory	206,889	-	-	-	-	-	-	206,889
Deposits and Prepaid Expenses	-	-	47,795	-	-	295,223	295,223	343,018
<b>Total Current Assets</b>	<b>\$ 2,862,196</b>	<b>\$ 1,125,992</b>	<b>\$ 1,272,375</b>	<b>\$ 555,091</b>	<b>\$ 433,626</b>	<b>\$ 7,227,905</b>	<b>\$ 7,661,531</b>	<b>\$ 13,477,184</b>
<b>Restricted Assets</b>								
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 444,799	\$ 444,799	\$ 444,799
Accounts Receivable	-	706,762	131,676	-	-	6,000	6,000	844,439
Deposits and Prepaid Expenses	-	-	-	-	-	-	-	-
<b>Total Restricted Assets</b>	<b>\$ -</b>	<b>\$ 706,762</b>	<b>\$ 131,676</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,799</b>	<b>\$ 450,799</b>	<b>\$ 1,289,238</b>
<b>Non-Current Assets</b>								
Subscription Asset	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 591,637	\$ 591,637	\$ 591,637
Accumulated Amortization	-	-	-	-	-	(249,834)	(249,834)	(249,834)
<b>Net Subscription Asset (New GASB 96)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 341,803</b>	<b>\$ 341,803</b>	<b>\$ 341,803</b>
<b>Property, Plant &amp; Equipment</b>								
Work in Process	\$ 250,553	\$ 2,080,761	\$ 625,609	\$ -	\$ -	\$ 76,685	\$ 76,685	\$ 3,033,607
Land	86,310	772,058	6,265,000	-	-	-	-	7,123,368
Property Rights	7,237	8,000	-	-	-	-	-	15,237
Buildings and Improvements	8,281,806	-	23,155,489	-	-	294,990	294,990	31,732,285
Vehicles and Equipment	5,806,355	285,750	817,577	1,946,005	-	-	-	8,855,688
Furniture and Office Equipment	925,994	35,919	876,376	-	-	174,804	174,804	2,013,093
Water System	-	48,750,810	-	-	-	-	-	48,750,810
Sewer System	43,153,549	-	-	-	-	-	-	43,153,549
Subtotal - Property, Plant & Equipment	58,511,805	51,933,298	31,740,051	1,946,005	-	546,479	546,479	144,677,637
Accumulated Depreciation	(35,235,226)	(22,993,398)	(14,115,432)	(849,865)	-	(96,003)	(96,003)	(73,289,923)
<b>Net Property, Plant &amp; Equipment</b>	<b>\$ 23,276,579</b>	<b>\$ 28,939,899</b>	<b>\$ 17,624,619</b>	<b>\$ 1,096,140</b>	<b>\$ -</b>	<b>\$ 450,476</b>	<b>\$ 450,476</b>	<b>\$ 71,387,714</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 170,311</b>	<b>\$ 448,246</b>	<b>\$ 347,477</b>	<b>\$ 23,129</b>	<b>\$ -</b>	<b>\$ 1,150,203</b>	<b>\$ 1,150,203</b>	<b>\$ 2,139,366</b>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>\$ 26,309,087</b>	<b>\$ 31,220,899</b>	<b>\$ 19,376,147</b>	<b>\$ 1,674,360</b>	<b>\$ 433,626</b>	<b>\$ 9,621,186</b>	<b>\$ 10,054,812</b>	<b>\$ 88,635,305</b>



Consolidated Balance Sheet  
For the Period Ended October 31, 2024

Division Balance Sheet  
For the Period Ended October 31, 2024

	Wastewater	Water	Recreation & Parks	Fleet & Equipment	Base	General & Administrative	General & Administrative and Base	Total
<b>LIABILITIES</b>								
<b>Current Liabilities</b>								
Accounts Payable	\$ 5,978	\$ 144,603	\$ 32,839	\$ 5,101	\$ -	\$ (47,016)	\$ (47,016)	\$ 141,505
Deferred Revenue	-	-	158,438	-	-	-	-	158,438
Compensated Absences Payable	-	-	-	-	-	815,212	815,212	815,212
Accrued Liabilities	-	6,353	2,173	-	-	755,852	755,852	764,378
Current Portion of Long-Term Debt	-	416,452	-	-	-	-	-	416,452
	5,978	567,408	193,450	5,101	0	1,524,048	1,524,048	2,295,985
<b>Current Liabilities (Payable from Restricted Assets)</b>								
Deferred Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>\$ 5,978</b>	<b>\$ 567,408</b>	<b>\$ 193,450</b>	<b>\$ 5,101</b>	<b>\$ -</b>	<b>\$ 1,524,048</b>	<b>\$ 1,524,048</b>	<b>\$ 2,295,985</b>
<b>Non-Current Liabilities</b>								
Long-Term Debt, Net of Current Portion	\$ -	\$ 226,874	\$ -	\$ -	\$ -	\$ 168,403	\$ 168,403	\$ 395,277
Net Pension Liability	6,273	115,269	109,669	(2,954)	-	445,857	445,857	674,113
<b>Total Long Term Liabilities</b>	<b>\$ 6,273</b>	<b>\$ 342,143</b>	<b>\$ 109,669</b>	<b>\$ (2,954)</b>	<b>\$ -</b>	<b>\$ 614,260</b>	<b>\$ 614,260</b>	<b>\$ 1,069,390</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 20,852</b>	<b>\$ 33,133</b>	<b>\$ 15,877</b>	<b>\$ 5,531</b>	<b>\$ -</b>	<b>\$ 8,446</b>	<b>\$ 8,446</b>	<b>\$ 83,840</b>
<b>NET POSITION</b>								
Net Investment in Capital Assets (Net of Debt)	\$ 23,276,579	\$ 28,296,573	\$ 17,624,619	\$ 1,096,140	\$ -	\$ 282,073	\$ 282,073	\$ 70,575,985
Debt Services	-	445,936	-	-	-	-	-	445,936
Net Restricted Assets	-	706,762	131,676	-	-	450,799	450,799	1,289,238
Unrestricted	3,316,028	(734,418)	1,005,527	479,900	433,626	6,357,716	6,791,342	10,858,379
Current Year Income / (Loss)	(316,623)	1,563,362	295,329	90,641	-	383,844	383,844	2,016,552
<b>Balance</b>	<b>\$ 26,275,984</b>	<b>\$ 30,278,215</b>	<b>\$ 19,057,151</b>	<b>\$ 1,666,682</b>	<b>\$ 433,626</b>	<b>\$ 7,474,431</b>	<b>\$ 7,908,057</b>	<b>\$ 85,186,089</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; FUND BALANCE</b>	<b>\$ 26,309,087</b>	<b>\$ 31,220,899</b>	<b>\$ 19,376,147</b>	<b>\$ 1,674,360</b>	<b>\$ 433,626</b>	<b>\$ 9,621,186</b>	<b>\$ 10,054,812</b>	<b>\$ 88,635,305</b>



**Consolidated Balance Sheet**  
**For the Period Ended October 31, 2024**

Division Balance Sheet  
**For the Period Ended October 31, 2024**

	Wastewater	Water	Recreation & Parks	Fleet & Equipment	Base	General & Administrative	General & Administrative and Base	Total
<b>Reserves</b>								
Unrestricted Reserves	\$ 2,856,219	\$ 558,583	\$ 1,078,925	\$ 549,990	\$ 433,626	\$ 5,703,856	\$ 6,137,483	\$ 11,181,199
Minimum Reserve Level Policy	(851,845)	(770,513)	(648,584)	63,216			(1,268,348)	(3,476,074)
<b>Available for Investment</b>	<b>\$ 2,004,373</b>	<b>\$ (211,930)</b>	<b>\$ 430,340</b>	<b>\$ 613,206</b>	<b>\$ 433,626</b>	<b>\$ 5,703,856</b>	<b>\$ 4,869,135</b>	<b>\$ 7,705,125</b>
Additional FY 2025 EBIDA	(118,123)	2,576,560	827,632	237,829	-	608,304	608,304	4,132,201
Total Available	\$ 1,886,250	\$ 2,364,630	\$ 1,257,972	\$ 851,035	\$ 433,626	\$ 6,312,160	\$ 5,477,439	\$ 11,837,326
Total Remaining FY 2025 Capital Budgeted	(764,709)	(1,751,515)	(1,192,256)	(567,492)			(492,726)	(4,768,698)
Debt Service		(446,000)						\$ (446,000)
<b>Unbudgeted</b>	<b>\$ 1,121,541</b>	<b>\$ 167,114</b>	<b>\$ 65,716</b>	<b>\$ 283,544</b>	<b>\$ 433,626</b>	<b>\$ 6,312,160</b>	<b>\$ 4,984,712</b>	<b>\$ 6,622,628</b>



**NORTH TAHOE  
PUBLIC UTILITY DISTRICT**

**DATE:** December 10, 2024

**ITEM:** I-3b

**FROM:** Finance Department

**SUBJECT:** Treasurer's Report – as of October 31, 2024

**FISCAL ANALYSIS:**

The CFO has reviewed the District's investment portfolio and has included its value within the attached Treasurer's Report.

The District's investments are governed by the Board of Directors' approved Investment Policy. While continuing to operate within this Investment Policy, the District has continued to emphasize safety.

Total bank value of cash and investments equaled \$9,992,097 as of October 31, 2024. Of the total, \$1,514,727 of the District's portfolio was restricted. The total of Cash and Investments decreased \$1,825,979 during October.

The portfolio meets the guidelines of the Investment policy.

**ATTACHMENTS:** Treasurer's Report as of October 31, 2024

**REVIEW TRACKING:**

Submitted by:

Approved by:

Lori Pommerenck  
Interim Chief Financial Officer

Bradley A. Johnson, P.E.  
General Manager/CEO



P RESENTED BY: Lori Pommerenck, Interim CFO

<b>Cash and Investments</b>				
<b>Statement Date</b>	<b>Institution/Account Number</b>	<b>Market Value</b>	<b>Description</b>	
<b>BMO</b>				
10/31/24	xxxxx1186	\$0	General Checking - Closed 10/23/24	
	xxxxx0874	0	Utility Billing Deposit Account - Closed 10/23/24	
	xxxxx4157	-	Parks Dept. Sweep Account - Closed 06/30/24	
		<u>0</u>	Total Bank of the BMO	
<b>Wells Fargo</b>				
10/31/24	xxxxxx7997	1,088,230	General Checking	
	xxxxxx8011	-	Payroll	
	xxxxxx8003	-	Utility Billing Deposit Account	
	xxxxxx8029	-	Event Center Deposit Account	
		<u>1,088,230</u>	Total Wells Fargo	
<b>Local Agency Investment Fund</b>				
10/31/24	xx-xx-003	437,308	General Investment Account	
<b>California CLASS</b>				
10/31/24	xx-xx-0179	4,075,557	General Investment Account	
<b>UBS Financial Services Inc.</b>				
10/31/24	xxxxx29 70	9,842	Cash & Cash Alternatives Balance	
	"	1,195,259	Money Market Instruments	
	"	1,389,963	Certificates of Deposit	
	"	22,543	Mutual Funds	
	"	239,765	U.S. Government Securities	
	"	18,904	Accrued Interest	
		<u>2,876,275</u>	Total UBS Financial Services Inc.	
<b>Total Unrestricted Cash and Investments:</b>		<b>\$8,477,370</b>		

<b>Restricted</b>				
<b>Statement Date</b>	<b>Institution/Account Number</b>	<b>Market Value</b>	<b>Description</b>	
<b>Wells Fargo</b>				
10/31/24	xxxxxx8037	\$32,887	FSA	
10/31/24	xxxxxx8045	527,035	HRA	
10/31/24	xxxxx1157	445,936	NTBC - BofA Install.Payment Fund	
09/30/24	<b>CalPERS 115 Trust</b>	473,179	CalPERS Prefunding of Pension Expense	
09/30/24	<b>Tahoe Truckee Community Foundation</b>	35,689	Friends of the Park	
<b>Total Restricted Cash and Investments:</b>		<b>\$1,514,727</b>		

<b>Total Cash and Investments:</b>				
<b>Total Cash and Investments:</b>		<b>\$9,992,097</b>		



**NORTH TAHOE  
PUBLIC UTILITY DISTRICT**

**DATE:** December 10, 2024

**ITEM:** F-1

**FROM:** Accounting Department

**SUBJECT:** Approve Accounts Paid and Payable for the Period from November 12<sup>th</sup>, 2024 – December 9<sup>th</sup>, 2024

**RECOMMENDATION:**

Approve accounts paid and payable from November 12<sup>th</sup>, 2024, through December 9<sup>th</sup>, 2024.

**DISCUSSION:**

Pursuant to California Public Utilities Code 16116, "The Accountant ... shall draw all warrants to pay demands made against the District when the demands have been first approved by a majority of the Board present at the meeting at which the demands are acted upon." The Chief Financial Officer presents the Finance Committee with both Accounts Paid (warrants or checks written) and Accounts Payable (warrants or checks to be written or demands) for its review.

**FISCAL ANALYSIS:**


Sufficient funds are included in the 2024-2025 Fiscal Year budget. District staff and the Finance Committee have reviewed and recommended these accounts paid and payable as appropriate District expenditures.

**ATTACHMENTS:** N/A

**MOTION:** Approve Staff Recommendation

**REVIEW TRACKING:**

Submitted By:   
Lori Pommerenck  
Interim Chief Financial Officer

Approved By:   
Bradley A. Johnson, P.E.  
General Manager/CEO



# NORTH TAHOE PUBLIC UTILITY DISTRICT

**DATE:** December 10, 2024

**ITEM:** F-3

**FROM:** Finance Department

**SUBJECT:** Authorize Funding a Portion of the District's CalPERS Unfunded Pension Liability Obligation

## **RECOMMENDATION:**

Authorize reserves use in the amount of \$971,359 to fund a portion of the District's CalPERS unfunded pension liability obligation.

## **DISCUSSION:**

Currently, after consideration of the reserves designated for capital investment and debt service, the District has unbudgeted reserves in excess of the Minimum Reserve Policy in the amount of \$2.4M. In the interest of being good stewards of public funds, with particular attention to the District's financial sustainability efforts, and consistent with the District's CalPERS Unfunded Liability Policy, the Finance Committee and Management Team has prepared a recommendation to fund \$971,359 against the District's CalPERS pension liability. This recommendation is the culmination of an extensive CalPERS pension liability analysis conducted by the Finance Committee with Management.

As of the latest actuarial report, dated June 30, 2023, the District has an unfunded Pension Liability with CalPERS in the amount of approximately \$1,236,054, which is a funding ratio of 92.5%. The current amortization and repayment schedule is based on a 6.8% assumption of return to CalPERS Pension Plan. Management recommends reducing the unfunded portion to a 98% funding ratio, or about \$265,000 with the recognition that actual market trends will affect the District's liability in the future.

During the course of the annual Unfunded Liability and Prefunding policy adherence review, the Finance Committee noted the CalPERS prefunding via 115 Trust status compared to the current projected one year's CalPERS expense had a shortfall of \$21,155. As the amount is de minimis and within the parameters of compliance with policy, no action is recommended for additional prefunding via the 115 Trust.

## **FISCAL ANALYSIS:**

The immediate effect on Reserves will be \$971,359 as a result of the Unfunded Pension Liability reduction.

**STRATEGIC PLAN ALIGNMENT:**

Goal 3: Enhance District governance and partnerships – Objective A: Maintain best practices in public agency governance throughout all levels of the District – Objective B: Ensure financial sustainability of the District


**ATTACHMENTS:**

- CalPERS History & Unfunded Liability Presentation
- CalPERS 115 Trust Prefunding Presentation

**MOTION:** Approve Staff Recommendation

**REVIEW TRACKING:**

Submitted By:   
Lori Pommerenck  
Interim Chief Financial Officer

Approved By:   
Bradley A. Johnson, P.E.  
General Manager/CEO

# CalPERS Unfunded Liability Annual Review

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# Current Update

# July 15, 2024 CalPERS Memo

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Preliminary Investment Return FY23-24 Fiscal Year 9.3%

Total fund annualized returns for:

the five-year period ending June 30, 2024, stood at 6.6%,

the 10-year period at 6.2%,

the 20-year period at 6.7%,

and the 30-year period at 7.7%.

# NTPUD & CalPERS



# NTPUD & CalPERS

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- NTPUD Joined CalPERS August of 2011
- NTPUD Pooled with Organizations < 100 Active Members
- An Agency Default Does Not Affect Other Agencies
- Contribution Rate Set to Cover Normal Costs
- Higher Returns Experienced -> Contribution Rate Decrease
- Lower Discount Rate -> Contribution Rate Increase
- Other Assumptions

# NTPUD Contribution & Funding History Classic



Contribution Year	Employer Normal Cost Rate
2016 - 17	8.377%
2017 - 18	8.418%
2018 - 19	8.892%
2019 - 20	9.680%
2020 - 21	10.484%
2021 - 22	10.34%
2022 - 23	10.32%
2023 - 24	11.84%
2024 - 25	11.88%
2025 - 26	11.94%

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio
06/30/2014	\$2,306,710	\$2,143,874	\$162,836	92.9%
06/30/2015	2,947,241	2,718,919	228,322	92.3%
06/30/2016	3,680,507	3,166,242	514,265	86.0%
06/30/2017	4,807,470	4,323,271	484,199	89.9%
06/30/2018	6,145,693	5,429,862	715,831	88.4%
06/30/2019	6,933,223	6,669,407	263,816	96.2%
06/30/2020	8,137,357	7,630,073	507,284	93.8%
06/30/2021	8,587,430	9,016,725	(429,295)	105.0%
06/30/2022	9,475,023	8,792,119	682,904	92.8%
06/30/2023	10,626,000	9,649,541	976,459	90.8%



# NTPUD Contribution & Funding History PEPRA

Contribution Year	Employer Normal Cost Rate
2016 - 17	6.555%
2017 - 18	6.533%
2018 - 19	6.842%
2019 - 20	6.985%
2020 - 21	7.732%
2021 - 22	7.59%
2022 - 23	7.47%
2023 - 24	7.68%
2024 - 25	7.87%
2025 - 26	7.96%

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio
06/30/2014	\$21,950	\$23,851	(\$1,901)	108.7%
06/30/2015	60,912	59,057	1,855	97.0%
06/30/2016	67,189	59,488	7,701	88.5%
06/30/2017	224,733	217,713	7,020	96.9%
06/30/2018	392,198	365,200	26,998	93.1%
06/30/2019	556,748	533,971	22,777	95.9%
06/30/2020	893,874	840,324	53,550	94.0%
06/30/2021	1,329,730	1,429,738	(100,008)	107.5%
06/30/2022	1,815,117	1,651,012	164,105	91.0%
06/30/2023	2,608,742	2,349,147	259,595	90.0%

# NTPUD Classic to PEPRA Employees



	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Classic Members							
Active	33	29	27	26	23	20	17
Retired	4	7	12	13	14	17	19
PEPRA Members							
Active	12	14	18	20	24	30	33
Retired	0	1	1	1	1	1	1

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Classic Members							
Active	73%	67%	60%	57%	49%	40%	34%
Retired	100%	88%	92%	93%	93%	94%	95%
PEPRA Members							
Active	27%	33%	40%	43%	51%	60%	66%
Retired	0%	13%	8%	7%	7%	6%	5%

# CalPERS Unfunded Liability



# Unfunded Accrued Liability

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- Decrease in Discount Rate -> Increase in Unfunded Liability
- Zero Unfunded Liability with Higher Returns = Surplus Assets (earn same rate of return as Pooled)
- Current Valuation Date – June 30<sup>th</sup> 2023
- Current Discount Rate = 6.8%
- Current UAL Balance = \$1,236,054
- Projected Balance Through Current Fiscal Year End = \$720,758
- There are no significant changes to the actuarial methods or assumptions for the June 30, 2023 actuarial valuation

# Subsequent Events Notes from CalPERS

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- During the time period between the valuation date and the publication of this report, inflation has been higher than the expected inflation of 2.3% per annum. Since inflation influences cost-of-living increases for retirees and beneficiaries and active member pay increases, higher inflation is likely to put at least some upward pressure on contribution requirements and downward pressure on the funded status in the June 30, 2024, valuation. The actual impact of higher inflation on future valuation results will depend on, among other factors, how long higher inflation persists.
- The 2023 annual benefit limit under Internal Revenue Code (IRC) section 415(b) and annual compensation limits under IRC section 401(a)(17) and Government Code section 7522.10 were used for this valuation and are assumed to increase 2.3% per year based on the price inflation assumption. The actual 2024 limits, determined in October 2023, are not reflected.
- On April 16, 2024, the board took action to modify the Funding Risk Mitigation Policy to remove the automatic change to the discount rate when the investment return exceeds various thresholds. Rather than an automatic change to the discount rate, a board discussion would be placed on the calendar. The 95th percentile return in the Future Investment Return Scenarios exhibit in this report has not been modified and still reflects the projected contribution requirements associated with a reduction in the discount rate.

# Unfunded Liability



[Home](#) [Members](#) [Retirees](#) [Employers](#) [Investments](#)

## CalPERS Reports Preliminary 9.3% Investment Return for 2023-24 Fiscal Year

July 15, 2024

The investment return outpaced the discount rate of 6.8%, comparable to an assumed rate of return and a policy marker established by the CalPERS Board of Administration. It was also a notable improvement from the two most recent fiscal years, where investment returns were influenced by a variety of economic and geopolitical challenges.

When using the preliminary net return of 9.3% to assess long-term obligations, the overall estimated funded status of the Public Employees' Retirement Fund (PERF) stands at 75%.

"Our investing strategy was well positioned to take advantage of improving economic conditions over the past 12 months," said CalPERS Chief Executive Officer Marcie Frost. "Meeting or exceeding our long-term investing goals is crucial for providing the retirement benefits that our 2 million members and their families are counting on."

Selected Excerpts

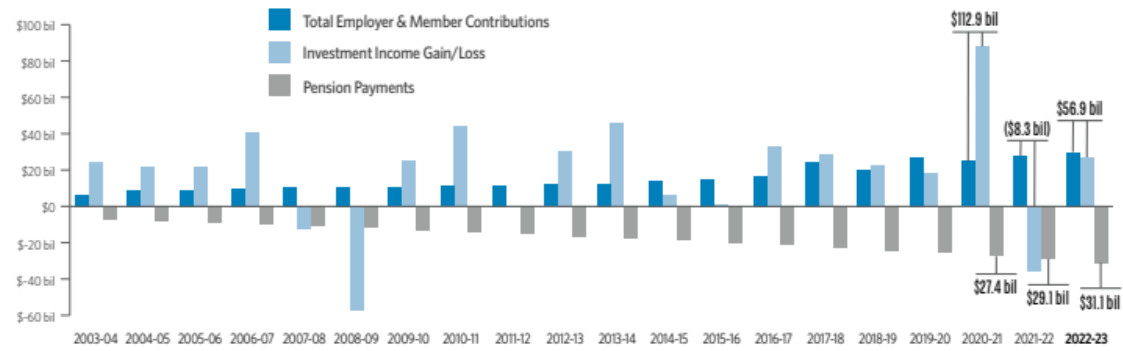


# June 30, 2023 Facts at a Glance

## Investment Returns<sup>1</sup> & Market Value of Assets<sup>2</sup>

FY	Investment Returns	Market Value of Assets (in billions)
<b>2022-23</b>	<b>5.8%</b>	<b>\$464.6</b>
2021-22	(6.1%)	\$439.4
2020-21	21.3%	\$477.3
2019-20	4.7%	\$392.5
2018-19	6.7%	\$372.6
2017-18	8.6%	\$354.0
2016-17	11.2%	\$326.5
2015-16	0.6%	\$298.7
2014-15	2.4%	\$302.8
2013-14	18.4%	\$301.8

Total contributions<sup>1</sup> and investment income together serve as the financial foundation to pay lifetime pension benefits, even in down market years.



**\$29.9 bil**

Total Contributions<sup>1</sup>  
(FY 2022-23)  
**↑7.3%** change  
from previous FY

**\$27.0 bil**

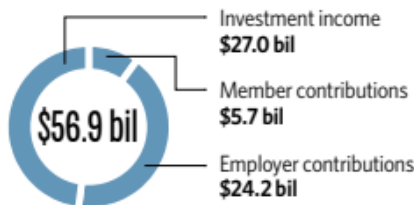
Investment Income  
(FY 2022-23)  
**↑174.6%** change  
from previous FY

**\$31.1 bil**

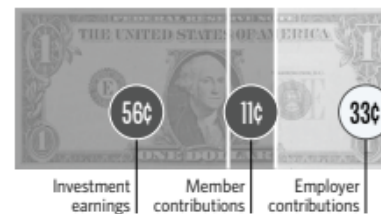
Pension Payments  
(FY 2022-23)  
**↑6.7%** change  
from previous FY

## Contributions to the Fund

### Funding by Source (FY 2022-23)



### How Public Employee Pensions Are Funded



Every dollar paid to CalPERS retirees comes from three sources, with more than two thirds coming from CalPERS investment earnings and member contributions.<sup>2</sup>

# UAL June 30, 2023



CalPERS Actuarial Valuation - June 30, 2023  
 Miscellaneous Plan of the North Tahoe Public Utility District  
 CalPERS ID: 4563533857

	June 30, 2022	June 30, 2023
1. Present Value of Benefits	\$12,061,786	\$13,042,144
2. Entry Age Accrued Liability	9,475,023	10,626,000
3. Market Value of Assets (MVA)	8,792,119	9,649,541
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	\$682,904	\$976,459
5. Funded Ratio [(3) ÷ (2)]	92.8%	90.8%

CalPERS Actuarial Valuation - June 30, 2023  
 PEPRA Miscellaneous Plan of the North Tahoe Public Utility District  
 CalPERS ID: 4563533857

## Funded Status – Funding Policy Basis

	June 30, 2022	June 30, 2023
1. Present Value of Benefits	\$5,489,062	\$7,226,171
2. Entry Age Accrued Liability	1,815,117	2,608,742
3. Market Value of Assets (MVA)	1,651,012	2,349,147
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	\$164,105	\$259,595
5. Funded Ratio [(3) ÷ (2)]	91.0%	90.0%

# NTPUD Recommended UAL Funding Payment



## CalPERS Unfunded Accrued Liability (UAL)

	<b>Balance</b>	<b>Funding</b>
	<b>6/29/2023</b>	<b>Recommdation</b>
		<b>98%</b>
Accrued Liability	13,234,741	12,970,046
Market Value of Assets	11,998,687	11,998,687
Unfunded Accrued Liability	1,236,054	971,359

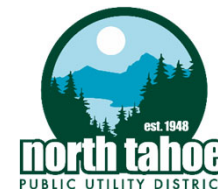
# NTPUD Unfunded Updated for June 30, 2023



						Projected
Expected Return (Discount Rate)	7.0%	7.0%	7.0%	6.8%	6.8%	6.8%
Announced Return	6.7%	4.7%	21.3%	-6.1%	5.8%	9.3%
Classic	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Accrued Liability	6,933,223	8,137,357	8,587,430	9,475,023	10,626,000	
Market Value of Assets	6,669,407	7,630,073	9,016,725	8,792,119	9,649,541	
Unfunded Accrued Liability	263,816	507,284	(429,295)	682,904	976,459	
Funding Ratio	96.2%	93.8%	105.0%	92.8%	90.8%	
PEPRA						
Accrued Liability	556,748	893,874	1,329,730	1,815,117	2,608,742	
Market Value of Assets	533,971	840,324	1,429,738	1,651,012	2,349,147	
Unfunded Accrued Liability	22,777	53,550	(100,008)	164,105	259,595	
Funding Ratio	95.9%	94.0%	107.5%	91.0%	90.0%	
Total						
Accrued Liability	7,489,971	9,031,231	9,917,160	11,290,140	13,234,742	
Market Value of Assets	7,203,378	8,470,397	10,446,463	10,443,131	11,998,688	
Unfunded Accrued Liability	286,593	560,834	(529,303)	847,009	1,236,054	
Funding Ratio	96.2%	93.8%	105.3%	92.5%	90.7%	
Funding at 98% Level						
		8,850,606	9,718,817	11,064,337	12,970,047	
UAL Payment	FY 19	FY 21	FY 22	FY 23	FY 24	FY 25 Proposed
	593,309	-	380,209	-	621,206	971,359

\* Will be reflected in publication of 6/30/24 Actuarial Report

# NTPUD Current UAL Projected Amount



	Balance 6/30/2023	Projected Balance 6/29/2024	Projected Balance 6/30/2025
Classic Members	\$ 976,459	\$ 536,673	\$ 566,618
PEPRA Members	259,595	146,133	154,140
Total	<u>\$ 1,236,054</u>	<u>\$ 682,806</u>	<u>\$ 720,758</u>



# NTPUD Classic Funded Status Sensitivity

As of June 30, 2023	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
<b>Discount Rate</b>	<b>5.8%</b>	<b>6.8%</b>	<b>7.8%</b>
Price Inflation	2.3%	2.3%	2.3%
<b>Real Rate of Return</b>	<b>3.5%</b>	<b>4.5%</b>	<b>5.5%</b>
a) Total Normal Cost	23.75%	18.87%	15.16%
b) Accrued Liability	\$12,170,126	\$10,626,000	\$9,344,862
c) Market Value of Assets	\$9,649,541	\$9,649,541	\$9,649,541
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$2,520,585	\$976,459	(\$304,679)
e) Funded Ratio	79.3%	90.8%	103.3%

As of June 30, 2023	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
<b>Discount Rate</b>	<b>5.8%</b>	<b>6.8%</b>	<b>7.8%</b>
<b>Price Inflation</b>	<b>1.3%</b>	<b>2.3%</b>	<b>3.3%</b>
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	19.78%	18.87%	17.22%
b) Accrued Liability	\$11,060,853	\$10,626,000	\$9,754,956
c) Market Value of Assets	\$9,649,541	\$9,649,541	\$9,649,541
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$1,411,312	\$976,459	\$105,415
e) Funded Ratio	87.2%	90.8%	98.9%

As of June 30, 2023	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	19.19%	18.87%	18.57%
b) Accrued Liability	\$10,842,393	\$10,626,000	\$10,426,295
c) Market Value of Assets	\$9,649,541	\$9,649,541	\$9,649,541
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$1,192,852	\$976,459	\$776,754
e) Funded Ratio	89.0%	90.8%	92.6%

# NTPUD PEPRA Funded Status Sensitivity



As of June 30, 2023	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
<b>Discount Rate</b>	<b>5.8%</b>	<b>6.8%</b>	<b>7.8%</b>
Price Inflation	2.3%	2.3%	2.3%
<b>Real Rate of Return</b>	<b>3.5%</b>	<b>4.5%</b>	<b>5.5%</b>
a) Total Normal Cost	19.65%	15.71%	12.71%
b) Accrued Liability	\$3,071,448	\$2,608,742	\$2,232,916
c) Market Value of Assets	\$2,349,147	\$2,349,147	\$2,349,147
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$722,301	\$259,595	(\$116,231)
e) Funded Ratio	76.5%	90.0%	105.2%

As of June 30, 2023	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
<b>Discount Rate</b>	<b>5.8%</b>	<b>6.8%</b>	<b>7.8%</b>
<b>Price Inflation</b>	<b>1.3%</b>	<b>2.3%</b>	<b>3.3%</b>
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	16.56%	15.71%	14.29%
b) Accrued Liability	\$2,724,436	\$2,608,742	\$2,387,045
c) Market Value of Assets	\$2,349,147	\$2,349,147	\$2,349,147
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$375,289	\$259,595	\$37,898
e) Funded Ratio	86.2%	90.0%	98.4%

As of June 30, 2023	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	15.98%	15.71%	15.46%
b) Accrued Liability	\$2,668,792	\$2,608,742	\$2,553,555
c) Market Value of Assets	\$2,349,147	\$2,349,147	\$2,349,147
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$319,645	\$259,595	\$204,408
e) Funded Ratio	88.0%	90.0%	92.0%

# Unfunded Accrued Liability (UAL) Policy

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- Finance Committee Recommended
  - Actuarial Valuation Report Funding Position and Sensitivity Annual Review
  - Minimum Funding Level 98%
- Board Approved December 14<sup>th</sup>, 2021



# Recommendation

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- Submit Payment of \$971,359 to bring the CalPERS UAL to 98%

# History

# CalPERS Unfunded Liability

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- October of 2018
  - Board Began Discussion of then Current Unfunded Liability of \$618,780 Based on June 30, 2018 Valuation as per Actuarial Report
  - Paying Unfunded Liability Interest Rate 7%
  - Board Direction to Bring Back with Recommendation
- January of 2019
  - Board Authorized Payment of Up To \$620,000 of Unfunded Liability to Bring to Zero
  - Board Direction to Monitor for Further Action

# Finance Committee Review & Analysis

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- June 7<sup>th</sup> & July 12<sup>th</sup>, 2021
  - CalPERS History and Rate Setting
  - Decline in Low-Risk Investment Opportunities Affect on Return
  - Historical Funding Status
  - Contribution Rate History
  - Affect of Classic & PEPRA Employee Mix
  - Unfunded Liability Sensitivity Factors
  - Historical Pension Costs Including Unfunded Liability
- August 9<sup>th</sup>, 2021
  - CalPERS Announced 21.3% Returns for FY 2020-21
  - Reduction in Discount Rate to 6.8%
- September 13<sup>th</sup>, 2021
  - June 30, 2020 CalPERS Actuarial Valuation Published
  - Continued Monitoring and Maintenance of Liability
- November 8<sup>th</sup>, 2021
  - Conclusion and recommendation

# Unfunded Accrued Liability (UAL) December 2021

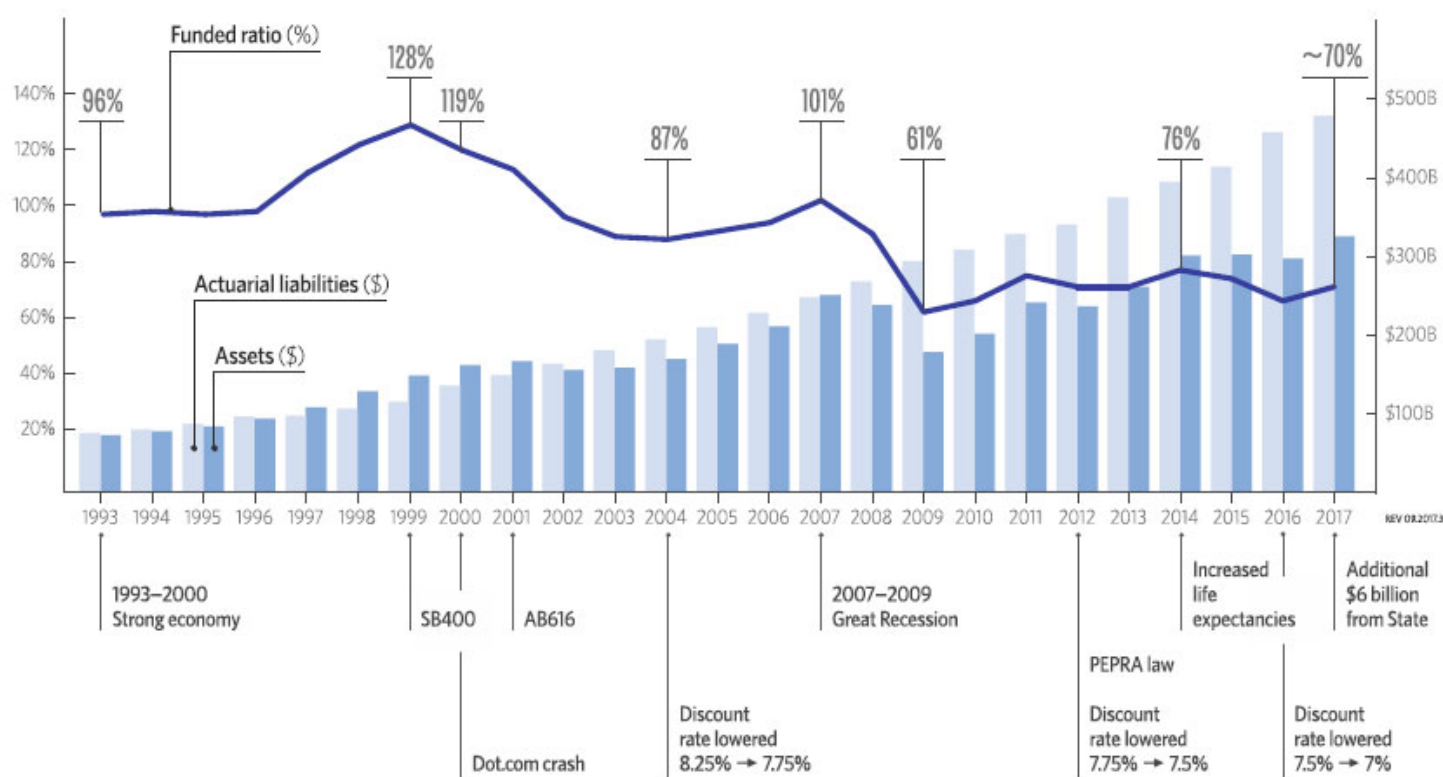
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- Finance Committee Recommendation
  - Actuarial Valuation Report Funding Position and Sensitivity Annual Review by Finance Committee
    - Expected Annual Review in Fall Upon Publication of Actuarial Review
  - Minimum Funding Level 98%
  - Publish Unfunded Liability Policy
- December 14<sup>th</sup>, 2021
  - Board Adopted Unfunded Pension Liability Policy
  - Board Authorized Payment to Bring Funding Ratio to 98%

# CalPERS History & Rate Setting

## Historical Factors Impact Funded Status (1993-2017)



CalPERS March 28, 2018

# 20 Year Treasury Yield



<https://www.macrotrends.net/2016/20-year-treasury-bond-rate-yield-chart>

Recent High 10/31/22 4.17% => Yield as of 7/31/23: 4.05%



## Approved Discount Rate Phase-In

Valuation Date	FY Required Contribution	Discount Rate
June 30, 2016	2018-19	7.375%
June 30, 2017	2019-20	7.25%
June 30, 2018	2020-21	7.00%

CalPERS February 6, 2017

## CalPERS Reports Preliminary 21.3% Investment Returns for Fiscal Year 2020-21; Strong Returns Trigger Reduction in Discount Rate to 6.8%

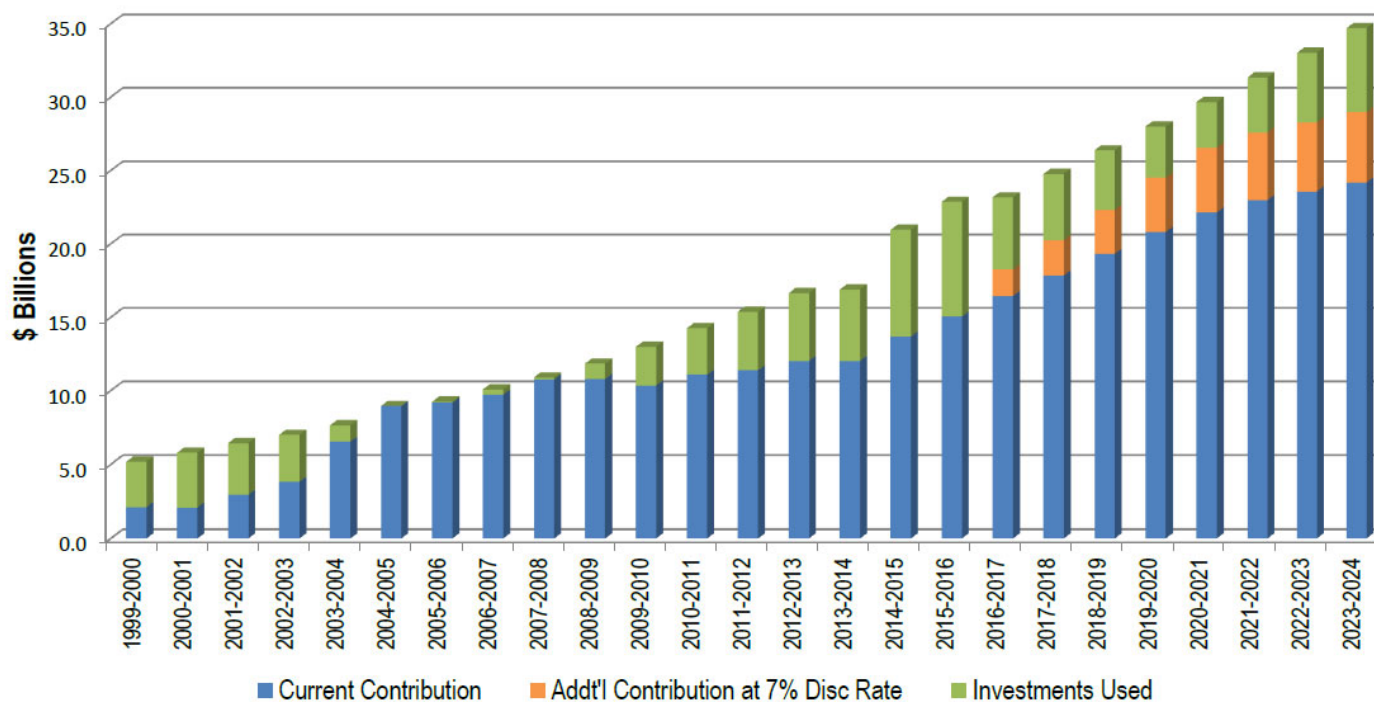
Based on these preliminary fiscal year returns, the funded status of the overall PERF is an estimated 82%. This estimate is based on a 7% discount rate. Under the new 6.8% discount rate, however, the funded status of the overall PERF drops to 80%. This is because existing assets are assumed to grow at a slightly slower rate annually into the future. As intended under the Funding Risk Mitigation Policy, the lower discount rate increases the likelihood that CalPERS can reach its target over the longer term.

The 2020-21 fiscal year returns brings total fund performance to 10.3% for the five-year period, 8.5% for the 10-year period, and 6.9% for the 20-year period. Over the past 30 years, the PERF returned an annualized return of 8.4%.

Selected Excerpts

# Contribution & Benefit Payments

Historical & Projected PERF Contributions & Investments for Benefit Payments



CalPERS February 6, 2017

# Who Pays for CalPERS Pensions?

## How Public Employee Pensions Are Funded

Some people believe that taxpayers fund the total cost of public pensions. This isn't true.

The largest contribution comes from CalPERS' investments, with additional funding from employer and employee contributions. Some workers currently contribute up to 16.5% of their paychecks to help fund their own pensions.

The CalPERS Pension Buck illustrates the sources of income that fund public employee pensions.

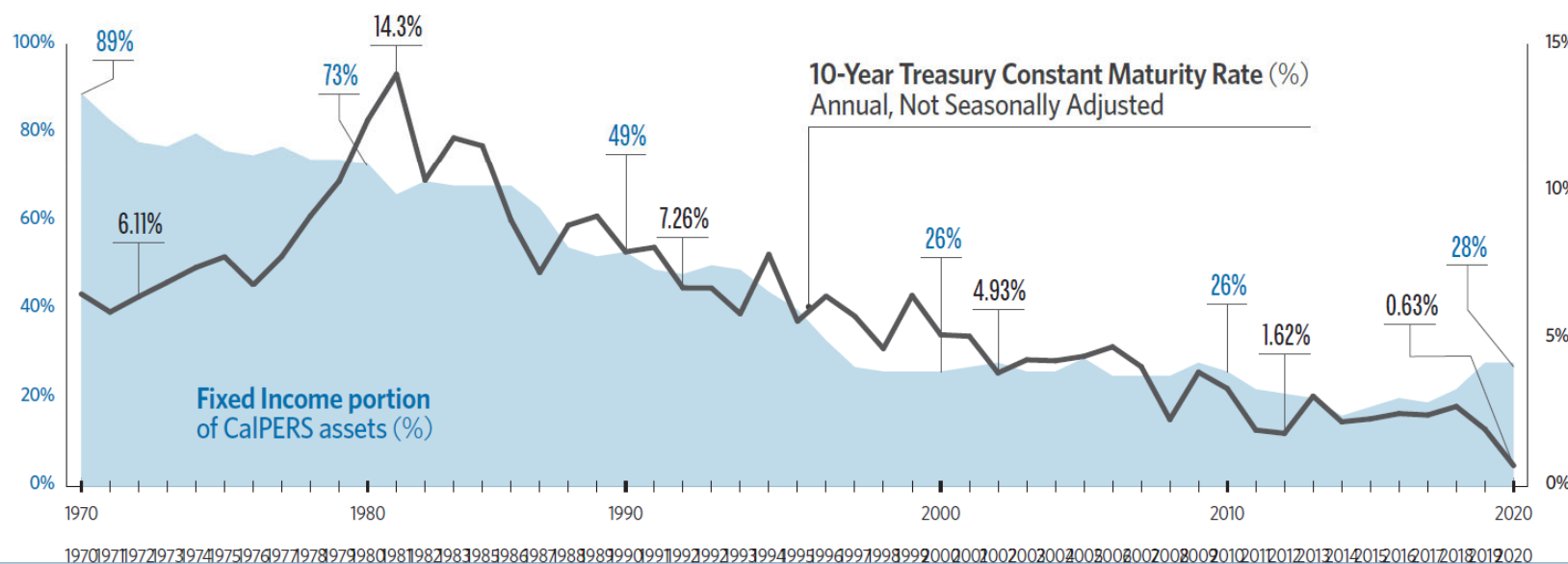
Based on data over the past 20 years ending June 30, 2021, for every dollar CalPERS pays in pensions:

- 60 cents comes from investment earnings
- 29 cents from employer contributions
- 11 cents from employee contributions

In other words, 71 cents out of every public employee pension dollar is funded by CalPERS' own investment earnings and member contributions. In the fiscal year ended June 2021, CalPERS paid out nearly \$ 27.4 billion in pension benefits.

## Challenges to Achieving 7%

Availability of Low-Risk Investment Opportunities Have Decreased Over the Years



CalPERS July 21, 2020

# GASB 68 Deferrals & Pension Expense



# Deferrals and Change in Deferrals

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Selected excerpts from The User's Perspective, December 2013

Deferrals are not revenues or expenses and are not assets or liabilities, even though they have been reported among assets and liabilities until now.

Like revenues and expenses, deferrals represent flows of resources into and out of a government during the fiscal year. However, unlike revenues and expenses, which are inflows and outflows of resources related to the period in which they occur, deferrals are related to future periods.

Admittedly, the terms “deferred inflow of resources” and “deferred outflow of resources” are potentially confusing. Their titles suggest that it is the inflow or outflow that has been deferred or delayed until later. But, as with revenues and expenses, the events associated with inflows and outflows related to deferrals have, in fact, already occurred. The thing that is being deferred is the recognition of those inflows and outflows as revenues and expenses. Recognition of revenues and expenses is deferred until the future period to which the inflows and outflows are related.

# Current GASB 68 Calculation FYE June 30, 2024

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Change in NPL	\$	349,413
Change in Deferred Inflows/Outflows		
Investment Gains/Losses	\$	(28,348)
Assumption Changes	\$	(84,692)
Experience Gains/Losses	\$	97,824
Proportion Change	\$	86,979
Actual vs. Expected Contribs	\$	(76,236)
Contribs after Measurement Date	\$	652,389
Subtotal	\$	647,916
Change in Net Position	\$	(298,503)



# Current GASB 68 Calculation



		NPL	New Deferral	Recognized	Pension Expense
Service Cost	\$	269,185			\$ 269,185
Interest on Total Pension Liability	\$	759,960			\$ 759,960
Changes in Benefit Terms	\$	88			\$ 88
Differences between Expected and Actual Experience	\$	155,487	\$ 155,487	\$ (57,663)	\$ 57,663
Changes of Assumptions	\$	-	\$ -	\$ (84,692)	\$ 84,692
Contributions from the Employer	\$	(455,657)			\$ (455,657)
Contributions from Non-employer Contributing Entities	\$	-			\$ -
Contributions from Employees	\$	(142,594)			\$ (142,594)
Net Investment Income	\$	-			\$ -
Projected Earnings on Pension Plan Investments	\$	(713,820)			\$ (713,820)
Differences between Projected and Actual Earnings on Pension Plan Investments	\$	71,958	\$ 71,958	\$ (100,306)	\$ 100,306
Benefit Payments	\$	113,991			\$ 113,991
Administrative Expenses	\$	7,594			\$ 7,594
Other Miscellaneous Income	\$	-			\$ -
Net Plan to Plan Resource Movement	\$	(13)			\$ (13)
Recognized Difference between Actual & Proportional Contribs	\$	-	\$ (31,158)	\$ (45,078)	\$ 76,236
Recognized Change in Proportion	\$	283,234	\$ 207,481	\$ (120,502)	\$ 196,255
Contribs Received After Measurement Date	\$	-	\$ 1,076,888	\$ (424,499)	\$ (652,389)
Total Pension Expense Due to Measurement period Activity	\$	349,413	\$ 1,480,656	\$ (832,740)	\$ (298,503)
Difference Between Reported NPL and Proportion NPL	\$	-			\$ -
Change in Net Position	\$	349,413			\$ (298,503)
Less Employer Contributions	\$				\$ (1,076,888)
Pension Expense	\$				\$ 778,385

# CalPERS Participation

# Hypothetical Termination Cost



CalPERS Actuarial Valuation - June 30, 2023  
 Miscellaneous Plan of the North Tahoe Public Utility District  
 CalPERS ID: 4563533857

## Funded Status – Termination Basis

	Discount Rate: 3.06% Price Inflation: 2.50%	Discount Rate: 5.06% Price Inflation: 2.50%
1. Termination Liability <sup>1</sup>	\$17,239,818	\$12,676,777
2. Market Value of Assets (MVA)	9,649,541	9,649,541
3. Unfunded Termination Liability[(1) – (2)]	\$7,590,277	\$3,027,236
4. Funded Ratio [(2) ÷ (1)]	56.0%	76.1%

CalPERS Actuarial Valuation - June 30, 2023  
 PEPRA Miscellaneous Plan of the North Tahoe Public Utility District  
 CalPERS ID: 4563533857

## Funded Status – Termination Basis

	Discount Rate: 3.06% Price Inflation: 2.50%	Discount Rate: 5.06% Price Inflation: 2.50%
1. Termination Liability <sup>1</sup>	\$4,055,062	\$2,829,741
2. Market Value of Assets (MVA)	2,349,147	2,349,147
3. Unfunded Termination Liability[(1) – (2)]	\$1,705,915	\$480,594
4. Funded Ratio [(2) ÷ (1)]	57.9%	83.0%

# NTPUD Historical Cost Comparison



		August															Budgeted
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
CalPERS	Employee Benefits	328,723	413,902	411,930	415,432	424,180	339,825	310,624	267,889	278,844	304,459	340,520	355,358	395,413	439,304	504,229	
	Pension Expense - Other Non-Op Expenses	-	-	-	-	(55,711)	(760,822)	6,816	216,789	146,833	175,255	128,202	(150,126)	59,273	322,703	250,000	
	Payout CalPERS	-	-	28,771	-	13,459	-	-	-	-	-	-	-	-	-	-	
	Total Expense							479,714	479,714	425,677	479,714	468,722	205,232	454,686	762,007	754,229	
Deferred Pension Outflows	Expected Expense in Future Period	-	-	-	-	475,531	1,108,560	1,163,667	986,637	1,453,438	1,121,078	1,037,640	1,187,215	1,510,207	2,139,366		
Deferred Pension Inflows	Expected Revenue in Future Period	-	-	-	-	(249,986)	(182,657)	(117,422)	-	(66,521)	(366,382)	(218,121)	(1,068,788)	(102,597)	(83,840)		
	End of Fiscal Year Balance					225,545	925,903	1,046,245	986,637	1,386,917	754,696	819,519	118,427	1,407,610	2,055,526		
Salary & Wages (PERSable)		2,049,033	2,876,750	2,890,774	2,980,365	2,987,505	3,327,464	3,517,094	3,788,399	3,652,681	4,146,337	3,926,889	4,603,273	5,065,851	5,355,590	5,971,614	
Hypothetical Contribution	5%	102,452	143,838	144,539	149,018	149,375	166,373	175,855	189,420	182,634	207,317	196,344	230,164	253,293	267,780	298,581	
for Comparison Purposes	7%	143,432	201,373	202,354	208,626	209,125	232,922	246,197	265,188	255,688	290,244	274,882	322,229	354,610	374,891	418,013	
	10%	204,903	287,675	289,077	298,037	298,750	332,746	351,709	378,840	365,268	414,634	392,689	460,327	506,585	535,559	597,161	
	12%	245,884	345,210	346,893	357,644	358,501	399,296	422,051	454,608	438,322	497,560	471,227	552,393	607,902	642,671	716,594	
	15%	307,355	431,513	433,616	447,055	448,126	499,120	527,564	568,260	547,902	621,951	589,033	690,491	759,878	803,339	895,742	
CalPERS Contribution Rate	Classic								7.758%	7.995%	8.680%	9.484%	9.340%	9.340%	10.840%	10.880%	
	PEPRA								6.392%	6.456%	6.868%	7.241%	7.170%	7.170%	7.715%	7.810%	
	Actual Weighted Average of Employer Contributions								7.071%	7.634%	7.343%	8.671%	7.720%	7.805%	8.203%	8.444%	
	Amortized Unfunded Liability Expense								5.722%	4.020%	4.227%	3.265%	-3.261%	1.170%	6.026%	4.186%	
	Total Expense %								12.66%	11.654%	11.570%	11.936%	4.458%	8.976%	14.228%	12.630%	
	Total Expense % - Including employee contribution								19.73%	19.288%	18.912%	20.608%	12.178%	16.781%	22.431%	21.074%	
Mass Mutual		12.245%															
		15.000%															
Actuarial Valuation Report																	
Accrued Liability										6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024		
Market Value of Assets										7,489,971	9,031,231	9,917,160	11,290,140	13,234,742	15,514,280		
Unfunded Accrued Liability										7,203,378	8,470,397	10,446,463	10,443,131	11,998,688	13,114,566		
Rate of Return										286,593	560,834	(529,303)	847,009	1,236,054	2,399,714		
Growth of Accrued Liability										6.7%	4.7%	21.3%	-6.1%	5.8%	9.3%		
											20.6%	9.8%	13.8%	17.2%			

# Definitions

- **Asset Liability Management (ALM)** — An integrated look at our assets and liabilities to determine the right mix of investments for our portfolio, specifically designed to achieve a sound and sustainable fund. Done on a rolling 4-year cycle.
- **Discount Rate** — Also known as the “assumed rate of return”. It is what we assume our \$304 billion in investments will return in a typical fiscal year, July 1 to June 30.
- **Normal Cost** — The annual cost of service accrual for the upcoming fiscal year for active employees. The normal cost should be viewed as the long term contribution rate.
- **Risk Mitigation Policy** — A mechanism that automatically reduces discount rate by a set amount when returns exceed a certain threshold.
- **Unfunded Liability / Unfunded Actuarial Accrued Liability (UAL)** — When a plan or pool’s Market Value of Assets is less than its Accrued Liability, the difference is the plan or pool’s Unfunded Liability. If the Unfunded Liability is positive, the plan or pool will have to pay contributions exceeding the Normal Cost.

# FAQs

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Question: How would a default of another organization affect our liability?

Answer: It would not. If an organization defaults, their portion of the liability and assets are removed from the pool and administered separately.

Question: In the case of surplus assets, would we earn a return on that amount?

Answer: Yes, all of the assets earn the same rate of return.

Question: Besides the market rate of return, what affects the unfunded liability?

Answer: Things that affect the unfunded liability include changes in actual compared to expected:

- Life span/Mortality Rate

- Retirement dates & longevity

- Level of Earnings at Retirement

- Discount Rate

- Inflation

- Other Actuarial Factors

# CEPPT FY 23-24 Funding Level



- June 30, 2024 CEPPT Balance \$444,799
- CalPERS Project Expense \$465,954

Valuation Report Projected Expense	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
June 30, 2020 Valuation Report	374,322	420,274			
June 30, 2021 Valuation Report		420,274	425,618		
June 30, 2022 Valuation Report			425,618	465,954	
June 30, 2023 Valuation Report				465,954	516,758

- Shortfall \$21,155



# NORTH TAHOE PUBLIC UTILITY DISTRICT

**DATE:** December 10, 2024

**ITEM:** G-2

**FROM:** Finance Department

**SUBJECT:** Review, Discuss, and Possibly Accept the Annual Independent Audit Report of Financial Statements for Fiscal Year 2023-2024 with Presentation by Brad Bartells of MUN CPAs

### RECOMMENDATION:

The Board review, discuss, and accept the annual independent audit report of financial statements for Fiscal Year 2023-2024.

### DISCUSSION:

The District's Auditor, MUN CPAs, have completed their audit of the District's Fiscal year 2023-2024 financial report and have issued an unmodified report.

MUN CPAs' scope of work included various responsibilities in connection with the audit requirement, including appropriations limit and internal controls testing. The results of which will be discussed during the presentation from our Auditor Principle, Brad Bartells, and may be reviewed in the attachments.


### ATTACHMENTS:

- Independent Auditor's Report for Fiscal Years 2024 and 2023
- Governance Letter
- Management Report
- Appropriations Limit Schedule for Fiscal Year 2024
- MUN Engagement Partner Presentation

**MOTION:** Approve Staff Recommendation

### REVIEW TRACKING:

Submitted By:   
Lori Pommerenck  
Interim Chief Financial Officer

Approved By:   
Bradley A. Johnson, P.E.  
General Manager/CEO





**NORTH TAHOE PUBLIC UTILITY DISTRICT**

**ANNUAL FINANCIAL REPORT  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2024 AND 2023**

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**MUN CPAs, LLP  
1760 CREEKSIDE OAKS DRIVE, SUITE 160  
SACRAMENTO, CALIFORNIA 95833**

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
North Tahoe Public Utility District  
Tahoe Vista, California

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of North Tahoe Public Utility District (the District) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of North Tahoe Public Utility District as of June 30, 2024 and 2023, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### 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 the District'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 opinion. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 the District'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 the District's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedules related to the District's net pension liability as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule 1 - comparison of budget to actual in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison schedule 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. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2024, on our consideration of North Tahoe Public Utility District'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 North Tahoe Public Utility District's 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 North Tahoe Public Utility District's internal control over financial reporting and compliance.

MUN CPAs, LLP

Sacramento, California  
December 5, 2024

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

As management of the North Tahoe Public Utility District (NTPUD or the District), we offer readers of NTPUD's financial statements this narrative overview and analysis of NTPUD's financial performance during the fiscal year ended June 30, 2024. Please read it in conjunction with NTPUD's financial statements, which follow this section.

The annual report includes the management's discussion and analysis report, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

**FINANCIAL HIGHLIGHTS - BUSINESS-TYPE ACTIVITIES:**

Due to the financial statements presenting information for two fiscal years the variance highlights will be provided for the changes from fiscal year 2022/23 to fiscal year 2023/24 as well as from 2021/22 to fiscal year 2022/23.

The District's Current Assets decreased by \$2,745,332 from \$17,044,790 to \$14,299,458 for fiscal year 2023/24 and increased \$1,903,303 from \$15,141,487 to \$17,044,790 for Fiscal year 2022/23. Restricted Assets remained unchanged at \$6,000 for fiscal year 2023/24 and fiscal year 2022/23. Noncurrent Investments decreased by \$596,152 from \$1,284,498 to \$786,199 for fiscal year 2023/24 and decreased by \$498,269 from \$1,284,468 to \$786,199 for fiscal year 2022/23. Capital Assets net of Accumulated Depreciation increased by \$4,132,287, from \$66,450,381 to \$70,582,668 for fiscal year 2023/24 and increased by \$6,819,270, from \$49,631,111 to \$66,450,381 for fiscal year 2022/23. As a result of the GASB 68 adjustments, net pension assets decreased from \$1,023,760 to \$0 for fiscal year 2022/23 and remained unchanged at zero for fiscal year 2023/24. Deferred Pension Outflows increased \$629,160 from \$1,510,206 to \$2,139,366 for fiscal year 2023/24 and increased \$322,991 for fiscal year 2022/23. The District's Total Assets and Deferred Outflows increased by \$1,419,963 to \$87,217,539 for fiscal year 2023/24 and increased by \$7,523,535 for fiscal year 2022/23.

The District's Current Liabilities (Unrestricted) decreased by (\$2,916,271) from \$5,604,852 to \$2,688,581 for fiscal year 2023/24 and increased by \$3,030,984 from \$2,573,868 to \$5,604,852 for fiscal year 2022/23. Noncurrent Liabilities from long term debt decreased by (\$109,609) from \$1,385,191 to \$1,275,582 for fiscal year 2023/24 and decreased \$2,660 from \$1,387,851 to \$1,385,191. Deferred Pension Inflows decreased \$18,757 from \$102,596 to \$83,839 for fiscal year 2023/24 and decreased \$966,192 from \$1,068,788 to \$102,596 for fiscal year 2022/23.

The Net Investment in Capital Assets increased by \$4,562,551 as additions of new Capital Assets exceeded depreciation and the related matured portion of capital debt repaid for fiscal year 2023/24. The increase for fiscal year 2022/23 was \$7,083,748. Unrestricted Net Position (Undesignated) increased by \$1,102,191 from \$10,770,003 to \$11,872,104 in fiscal year 2023/24 and decreased \$1,622,345 from \$12,392,348 to \$10,770,003 in fiscal year 2022/23. Total Net Position increased by \$4,464,600 from \$78,704,937 to \$83,169,537 for fiscal year 2023/24 and increased \$5,461,403 for fiscal year 2022/23.

Operating Revenues increased by \$461,272 from \$10,587,265 to \$11,048,537 for fiscal year 2023/24 and increased by \$1,236,096 for fiscal year 2022/23. Total Operating Expenses increased \$1,089,541 from \$15,691,087 to \$16,780,628 for fiscal year 2023/24 and increased \$2,822,803 for fiscal year 2023/23. Property Tax revenue increased by \$353,283 from \$7,658,352 to 8,011,635 for fiscal year 2023/24 and increased \$660,224 for fiscal year 2022/23. Investment income increased by \$58,270 from \$227,420 to \$285,690. Grant Revenue decreased by \$944,911 from \$2,482,868 to \$1,537,957.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

FINANCIAL HIGHLIGHTS - SEWER FUND (FISCAL YEAR 2023/24):

Current Assets (not restricted) increased by \$445,795 from \$2,572,724 to \$3,018,519. Net Capital Assets increased by \$195,237 from \$23,352,483 to \$23,547,720 as additions to Capital Assets (including transfers from Construction in Progress) resulted in net additions less than the increase in Accumulated Depreciation. The Net Pension Assets increased \$ 109,561 from \$60,750 to \$170,311.

Current Liabilities (Payable from Current Assets) decreased by \$119,942 from \$236,759 to \$116,817. Deferred Pension Inflows decreased by \$3,266 from \$24,118 to \$20,852. The amount of Unrestricted Net Position increased by \$617,717 from \$2,427,171 to \$3,044,888. Total Net Position increased by \$812,954 from \$25,779,654 to \$26,592,608.

Operating Revenues increased by \$347,962 from \$4,159,168 to \$4,507,130. Total Operating Expenses of \$3,712,356 were \$301,797 less than prior year. Miscellaneous revenue decreased \$9,565 from prior year due to less proceeds from salvage sale.

Operating Revenues increased by \$347,962 from \$4,159,168 to \$4,507,130. Total Operating Expenses of \$3,712,356 were \$438,028 more than prior year. Property Tax revenue was not allocated to the Sewer Fund in fiscal year 2023 compared to \$938,000 allocated in the prior year. Miscellaneous revenue increased \$27,717 from prior year due to proceeds from salvage sale.

FINANCIAL HIGHLIGHTS SEWER FUND (FISCAL YEAR 2022/23):

Current Assets (not restricted) increased by \$227,876 from \$2,344,848 in fiscal year 2021/22 to \$2,572,724 in fiscal year 2022/23. Net Capital Assets decreased by \$354,468 from \$23,706,951 to \$23,352,483 as additions to Capital Assets (including transfers from Construction in Progress) resulted in net additions less than the increase in Accumulated Depreciation. The Net Pension Assets decreased to \$0 in fiscal year 2022/23 from \$308,198 in fiscal year 2021/22).

Current Liabilities (Payable from Current Assets) decreased by \$306,500 from \$543,259 to \$236,759. Deferred Pension Inflows decreased by \$181,726 from \$205,844 in fiscal year 2021/22 to \$24,118 in fiscal year 2022/23. The amount of Unrestricted Net Position increased by \$523,228 from \$1,903,943 in fiscal year 2021/22 to \$2,427,171 in fiscal year 2022/23. Total Net Position increased by \$168,760 from \$25,610,894 in fiscal year 2021/22 to \$25,779,654 in fiscal year 2022/23.

Operating Revenues increased by \$312,341 from \$3,846,827 in fiscal year 2021/22 to \$4,159,168 in fiscal year 2022/23. Total Operating Expenses of \$4,014,153 were \$438,023 more than fiscal year 2022/23. Property Tax Revenue was not allocated to the Sewer Fund in fiscal year 2022/23 compared to \$938,000 allocated in the fiscal year 2021/22. Miscellaneous revenue increased \$27,717 from fiscal year 2021/22 due to proceeds from the salvage sale.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

FINANCIAL HIGHLIGHTS - WATER FUND (FISCAL YEAR 2023/24):

Current Assets decreased by \$2,947,092 from \$4,803,338 to \$1,856,246. Capital Assets net of Accumulated Depreciation increased by \$1,521,504 from \$25,932,565 to \$27,454,069. Deferred Pension Outflows increased by \$110,854 from \$337,412 to \$448,246.

Current Liabilities (Payable from Current Assets) decreased by \$1,863,944 from \$2,326,187 to \$433,064. The Long-term debt portion of Noncurrent Liabilities decreased by \$416,452 from \$849,516 to \$462,245, which is the result of the annual principal payments on the debt. The Net Pension Liability portion of Noncurrent Liabilities increased to \$60,847 from \$53,716 to \$115,269. The Deferred Pension Inflows decreased \$3,304 from \$36,437 to \$33,133. The amount of Net Position that is Unrestricted decreased by \$1,014,588 from \$2,678,951 to \$1,664,363. Total Net Position decreased by \$907,393 bringing the balance from \$27,807,459 to \$26,714,852.

Operating Revenues increased \$142,889 from \$4,376,242 to \$4,519,131. Total Operating Expenses increased by \$117,538 from \$3,957,619 to \$4,118,915. Property Tax Revenue Allocation decreased from \$3,050,000 to zero in the prior year. Grant Revenue decreased \$1,379,380 from \$1,849,587 to \$470,207.

FINANCIAL HIGHLIGHTS WATER FUND (FISCAL YEAR 2022/23):

Current Assets increased by \$1,463,423 from \$3,339,915 in fiscal year 2021/22 to \$4,803,338 fiscal year 2022/23. Capital Assets net of Accumulated Depreciation increased by \$5,236,424 from \$20,696,141 in fiscal year 2021/22 to \$25,932,565 in fiscal year 2022/23. Deferred Pension Outflows increased by \$63,542 from \$273,870 in fiscal year 2021/22 to \$337,412 in fiscal year 2022/23.

Current Liabilities (Payable from Current Assets) increased by \$1,616,394 from \$709,793 in fiscal year 2021/22 to \$2,326,187 in fiscal year 2022/23. The Long-term debt portion of Noncurrent portion of Long-term Debt decreased by \$400,477 from \$1,249,993 in fiscal year 2021/22 to \$849,516 in fiscal year 2022/23, which is the result of the annual principal payments on the debt. The Net Pension Liability portion of Noncurrent Liabilities increased to \$53,716 from \$0 in fiscal year 2022/23. The Deferred Pension Inflows decreased \$190,079 from \$226,516 in fiscal year 2021/22 to \$36,437 in fiscal year 2022/23. The amount of Net Position that is Unrestricted decreased by \$149,269 from \$2,828,220 in fiscal year 2021/22 to \$2,678,951 fiscal year 2022/23. Total Net Position increased by \$5,472,270 bringing the balance from \$22,335,189 in fiscal year 2021/22 to \$27,807,459 in fiscal year 2022/23.

Operating Revenues decreased \$54,403 from \$4,430,645 in fiscal year 2021/22 to \$4,376,242 in fiscal year 2022/23. Total Operating Expenses increased by \$435,433 from \$3,522,186 in fiscal year 2021/22 to \$3,957,619 in fiscal year 2022/23. Property Tax Revenue Allocation increased \$3,050,000 in fiscal year 2022/23 from \$0 in fiscal year 2021/22. Grant Revenue increased to \$1,849,587 in fiscal year 2022/23 from \$0 in fiscal year 2021/22.



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

FINANCIAL HIGHLIGHTS - RECREATION FUND (FISCAL YEAR 2023/24):

Current Assets decreased by \$1,816,649 from \$2,997,986 to \$1,181,337. Capital Assets net of Accumulated Depreciation increased by \$1,776,654 from \$15,927,572 to \$17,704,226. Deferred Pension Outflows of Resources increased by \$109,105 from \$238,372 to \$347,477.

Current Liabilities (Payable from Current Assets) decreased by 1,464,439 from \$1,810,116 to \$345,677. The Net Pension Liability classified as Noncurrent Liabilities increased by \$60,593 from \$49,076 to \$109,669. Deferred Inflows of Resources from Pension decreased by \$3,253 from \$19,130 to \$15,877. The amount of Net Position that is Unrestricted decreased by \$300,445 from \$1,358,036 to \$1,057,591. The Total Net Position increased by \$1,476,209 from \$17,285,608 to \$18,761,817.

Recreation Events and Program Revenues of \$1,412,546 were \$62,021 higher than the prior year. Total Operating Expenses increased by \$442,086 from \$2,582,602 to 3,024,688. The Recreation assessment, called Community Facilities District 941 (CFD 941), brought in \$1,720,548 a decrease of \$239,961. Grant revenue increased by \$545,569 from \$633,281 to \$1,067,750.

FINANCIAL HIGHLIGHTS - RECREATION FUND: (FISCAL YEAR 2022/23)

Current Assets increased by \$1,121,323 from \$1,876,663 in fiscal year 2021/22 to \$2,997,986 in fiscal year 2022/23. Capital Assets net of Accumulated Depreciation increased by \$1,715,167 from \$14,212,405 in fiscal year 2021/22 to \$15,927,572 in fiscal year 2022/23. Deferred Pension Outflows of Resources increased by \$47,493 from \$190,879 in fiscal year 2021/22 to \$238,372 in fiscal year 2022/23.

Current Liabilities (Payable from Current Assets) increased by \$1,453,973 from \$356,143 in fiscal year 2021/22 to \$1,810,116 in fiscal year 2022/23. The Net Pension Liability classified as Noncurrent Liabilities increased by \$49,076 from \$0 in fiscal year 2021/22. Deferred Inflows of Resources from Pension decreased by \$142,072 from \$161,202 in fiscal year 2021/22 to \$19,130 in fiscal year 2022/23. The amount of Net Position that is Unrestricted decreased by \$341,366 to close at \$1,358,036 in fiscal year 2022/23. The Total Net Position increased by \$1,373,801 from \$15,911,807 in fiscal year 2021/22 to \$17,285,608 fiscal year 2022/23.

Recreation Events and Program Revenues of \$1,350,525 in fiscal year 2022/23 were \$242,059 higher than fiscal year 2021/22. Total Operating Expenses increased by \$432,916 from \$2,149,686 in fiscal year 2021/22 to \$2,582,601 in fiscal year 2022/23. The Recreation assessment, called Community Facilities District 941 (CFD 941), brought in \$1,960,509 in fiscal year 2022/23, an increase of \$292,620 over fiscal year 2021/22. Grant revenue increased by \$148,771 from \$484,510 in fiscal year 2021/22 to \$633,281 in fiscal year 2022/23.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

FINANCIAL HIGHLIGHTS – INTERNAL SERVICES FUND ( FLEET & GENERAL & ADMINISTRATION FUNDS)

For Fiscal Year 2023/24 the District changed the presentation for the Internal Services Fund which were previously reported as separate funds for Fleet and General and Administrative. The change will bring the presentation into compliance with GASB reporting guidance.

Current Assets increased by \$1,572,614 from \$6,670,742 to \$8,243,356 for fiscal year 2023/24 and decreased \$909,319 from \$7,580,061 to \$6,670,742 for fiscal year 2022/23. Noncurrent Investments decreased by \$596,152 from \$786,199 to \$190,047 for fiscal year 2023/24 and increased by \$786,199 from \$0 in fiscal year 2021/22. Capital Assets net of Accumulated Depreciation increased by \$638,892 from \$1,237,761 to \$1,876,653 for fiscal year 2023/24 and increased \$222,147 from \$1,015,614 to \$1,237,761 for fiscal year 2022/23. Deferred Pension Outflows of Resources increased by \$299,660 from \$873,672 to \$1,173,332 for fiscal year 2023/24 and increased by \$151,206 from \$722,466 to \$873,672 in fiscal year 2022/23.

Current Liabilities (Payable from Current Assets) increased by \$532,054 from \$1,231,790 to \$1,763,844 for fiscal year 2023/24 and increased by \$267,117 from \$964,673 to \$1,231,790 for fiscal year 2022/23. Net Pension Liability portion of Noncurrent Liabilities increased by \$166,422 from \$276,481 to \$442,903 for fiscal year 2023/24 and increased \$276,481 from \$0 in fiscal year 2022/23. Deferred Pension Inflows decreased \$8,934 from \$22,911 to \$13,977 for fiscal year 2023/24 and decreased by \$452,315 from \$475,226 to \$22,911 for fiscal year 2022/23. The amount of Net Position that is Unrestricted increased by \$599,365 from \$6,895,762 to \$7,495,127 for fiscal year 2023/24 and decreased by \$1,654,938 from \$8,550,700 to \$6,895,762 for fiscal year 2022/23. Total Net Position increased by \$1,268,044 bringing the balance to \$9,100,260 for fiscal year 2023/24 and decreased by \$1,553,428 bringing the balance to \$7,832,216 in fiscal year 2022/23.

Total Operating Revenue decreased by \$91,600 from \$701,330 to \$609,730 in fiscal year 2023/24 and increased \$736,099 from \$34,769 to \$701,330 for fiscal year 2022/23. Total Operating Expenses increased by \$787,956 from \$5,136,713 to \$5,924,669 for fiscal year 2023/24 and increased by \$1,516,431 from \$3,620,282 to \$5,156,713 for fiscal year 2022/23. Property Tax Revenue increased \$3,643,244 from \$2,647,843 to \$6,291,087 for fiscal year 2023/24 and decreased by \$1,744,396 from \$4,392,239 to \$2,881,955 for fiscal year 2022/23. Investment Income increased \$57,475 from \$225,814 to \$283,289 for fiscal year 2023/24 and increased \$298,607 from a \$72,793 loss to \$225,814 revenue in fiscal year 2022/23.

DUE (TO)/FROM ENTERPRISE:

The amounts due (to) or from other enterprises are as follows at June 30, 2024:

	<u>Sewer</u>	<u>Water</u>	<u>Recreation &amp; Parks</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Due (To)/From Other Fund	\$ 2,811,629	\$ 1,358,386	\$ 644,842	\$ 4,814,857	\$ (4,814,857)

The amounts due (to) or from other enterprises are as follows at June 30, 2023:

	<u>Sewer</u>	<u>Water</u>	<u>Recreation &amp; Parks</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Due (To)/From Other Fund	\$ 2,376,721	\$ 3,012,792	\$ 2,144,929	\$ 7,534,442	\$ (7,534,442)

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

REQUIRED FINANCIAL STATEMENTS:

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The Statement of Net Position includes all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the statement of cash flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

FINANCIAL ANALYSIS OF THE DISTRICT:

The most common financial question posed to the District is "How did we do financially during 2023/2024?" The statement of net position and the statement of revenues, expenses and changes in net position report information about the District's activities in a way that will help answer this question. These two statements report the net assets of the District and the changes in them. One can think of the District's Net Position – the difference between assets, deferred outflows, liabilities and deferred inflows – as one way to measure financial health or financial position. Over time, increases or decreases in the District's Net Position is one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other nonfinancial factors such as changes in economic conditions, population growth, and new or changed government legislation.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**NET POSITION:**

To begin our analysis, a summary of the District's Net Position is presented in Table A-1.

**Table A-1**  
Condensed statement of net position

	<u>Fiscal Year 6/30/2024</u>	<u>Fiscal Year 6/30/2023</u>	<u>Fiscal Year 6/30/2022</u>
Current assets	\$ 14,299,458	\$ 17,044,790	\$ 15,141,487
Restricted assets	6,000	6,000	6,000
Investments - noncurrent portion	190,047	786,199	1,284,468
Net capital assets	70,582,668	66,450,381	59,631,111
Net pension asset	-	-	1,023,760
Deferred pension outflows	<u>2,139,366</u>	<u>1,510,206</u>	<u>1,187,215</u>
 Total assets and deferred outflows of resources	 <u>87,217,539</u>	 <u>85,797,576</u>	 <u>78,274,041</u>
Current liabilities	\$ 2,688,581	\$ 5,604,852	\$ 2,573,868
Noncurrent liabilities	1,275,582	1,385,191	1,387,851
Deferred pension inflows	<u>83,839</u>	<u>102,596</u>	<u>1,068,788</u>
 Total liabilities and deferred inflows of resources	 <u>4,048,002</u>	 <u>7,092,639</u>	 <u>5,030,507</u>
Net investment in capital assets	\$ 69,455,632	\$ 64,893,081	\$ 57,809,333
Other restricted	6,000	6,000	6,000
Restricted for debt service	445,936	445,936	445,936
Unrestricted (designated for Board reserves)	3,260,071	3,057,239	2,753,938
Unrestricted (undesignated)	<u>10,001,898</u>	<u>10,302,681</u>	<u>12,228,327</u>
 Total net position	 <u>\$ 83,169,537</u>	 <u>\$ 78,704,937</u>	 <u>\$ 73,243,534</u>

As can be seen from the table above, net position grew by \$4,464,600 from \$78,704,937 to \$83,169,537. Net position increased primarily from the amounts invested in Capital Assets of \$4,132,887 or 6%. Unrestricted (Designated for Board Reserves) increased \$202,832 to \$3,260,071. Unrestricted (Undesignated) balance decreased by \$300,783 from \$10,302,681 to \$10,001,893.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**REVENUES, EXPENSES AND CHANGES IN NET POSITION:**

**Table A-2**

Condensed statement of revenues, expenses and changes in net position

	<b>Fiscal Year 6/30/2024</b>	<b>Fiscal Year 6/30/2023</b>	<b>Fiscal Year 6/30/2022</b>
Operating revenues	\$ 11,048,537	\$ 10,587,265	\$ 9,351,169
Operating expenses	<u>16,780,628</u>	<u>15,691,087</u>	<u>12,868,284</u>
Net operating income (loss)	<u>(5,732,091)</u>	<u>(5,103,822)</u>	<u>(3,517,115)</u>
Property tax revenues	8,011,635	7,658,352	6,998,128
Other non-operating revenues and expenses	<u>2,185,056</u>	<u>2,769,315</u>	<u>385,014</u>
Non-operating revenues and expenses	<u>10,196,691</u>	<u>10,427,667</u>	<u>7,383,142</u>
Income before capital contributions	4,464,600	5,323,845	3,866,027
Capital contributions	<u>-</u>	<u>137,558</u>	<u>-</u>
Change in net position	4,464,600	5,461,403	3,866,027
Net position, beginning of year	<u>78,704,937</u>	<u>73,243,534</u>	<u>69,377,507</u>
Total net position, ending of year	<u>\$ 83,169,537</u>	<u>\$ 78,704,937</u>	<u>\$ 73,243,534</u>

While the statement of net position shows the change in financial position of net assets, the statements of revenues, expenses and changes in net position provides answers as to the nature and source of these changes. As can be seen in Table A2 above, revenues, including operating, property tax and other, exceeded expenses in each year increasing net position. The increase in Net Position of \$4,464,600 was \$996,803 less than the \$5,461,403 for prior year. The decrease was mainly due to less grant revenue over prior year.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**BUDGETARY HIGHLIGHTS:**

The District adopts an annual Operating Budget. The Operating Budget includes proposed expenses and the means of financing them. The District's operating budget includes the original budget and all budget adjustments approved during the year.

A fiscal year 2023/24 budget comparison and analysis is presented in Table A-3.

**Table A-3**  
Budgeted Summary

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative) Variance</u>
Operating revenues	\$ 10,651,841	\$ 11,048,537	\$ 396,696
Operating expenses	<u>(17,117,961)</u>	<u>(16,780,628)</u>	<u>337,333</u>
Net operating income (loss)	<u>(6,466,120)</u>	<u>(5,732,091)</u>	<u>734,029</u>
Property tax revenues	7,002,900	8,011,635	1,008,735
Other non-operating revenues and expenses	<u>1,749,629</u>	<u>2,185,056</u>	<u>435,427</u>
Non-operating revenues and expenses	<u>8,752,529</u>	<u>10,196,691</u>	<u>1,444,162</u>
(Loss)/income before capital contributions	<u>2,286,409</u>	<u>4,464,600</u>	<u>2,178,191</u>
Change in net position	<u>\$ 2,286,409</u>	<u>\$ 4,464,600</u>	<u>\$ 2,178,191</u>

Operating revenues of \$11,048,537 were \$396,696 over the Budget of \$10,651,841. Operating expenses of \$16,780,628 were \$337,333 over the amount budgeted. Property taxes, including CFD 941, and nonoperating revenues surpassed the budgeted amount by \$1,444,162. The total change in net position of \$4,464,600 exceeded the budgeted amount of \$2,286,409 by \$2,178,191 primarily due to grants received not budgeted and property tax revenue exceeding budget.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

CAPITAL ASSETS:

**Table A-4**

Condensed statement of capital assets

	<u>Fiscal Year 6/30/2024</u>	<u>Fiscal Year 6/30/2023</u>	<u>Fiscal Year 6/30/2022</u>
Capital assets	\$ 139,572,506	\$ 125,239,184	\$ 118,108,923
Construction in progress	<u>2,714,790</u>	<u>9,475,866</u>	<u>6,732,475</u>
Total capital assets	142,287,296	134,715,050	124,841,398
Accumulated depreciation	<u>(72,046,436)</u>	<u>(68,658,374)</u>	<u>(65,425,597)</u>
Net capital assets	<u>\$ 70,240,860</u>	<u>\$ 66,056,676</u>	<u>\$ 59,415,801</u>

At the end of fiscal year 2024, the District had \$142,287,506 invested in capital assets as shown in Table A4. The table excludes Subscription Based Information Technology Arrangements (SBITA). Capital assets grew by \$14,333,322 or 11%. Construction in Process decreased by \$6,761,076. Accumulated depreciation increased \$3,388,062 compared to prior year. The result was an increase in Net Capital Assets of \$4,184,184 or 6%.

The District implemented GASB 96 for the accounting of Subscription Based Information Technology Arrangements (SBITA's) in fiscal year 2023. The impact to the financial statements can be found in Notes 4, and 5. Table A4 above excludes the SBITA's reported in Note 4.

On September 1, 2010, the District entered into an installment sale agreement (the "Agreement") for \$4.5 million to finance the construction of certain capital facilities related to the District's water acquisition, storage and distribution system consisting primarily of a water storage tank and appurtenances. The Agreement's interest rate is 3.95% and is payable semiannually. Principal repayment began in August 2013 and concludes on February 1, 2026.

DISTRICT CONTACT INFORMATION:

This financial report is designed to provide our customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Anyone having questions regarding this report or desiring additional information may contact Lori Pommerenck, Interim Chief Financial Officer, North Tahoe Public Utility District, P.O. Box 139 Tahoe Vista, CA 961480139 or by phone at (530) 5464212 or by email at [lpommerenck@ntpud.org](mailto:lpommerenck@ntpud.org).

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2024**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>ASSETS</u></b>					
Current assets:					
Cash and cash equivalents (Note 2)	\$ -	\$ 445,936	\$ 1,887	\$ 447,823	\$ 8,609,695
Investments (Note 2)	-	-	-	-	2,584,517
Due (to)/from other funds	2,811,629	1,358,386	644,842	4,814,857	(4,814,857)
Accounts receivable (Note 3)	-	51,924	486,814	538,738	1,196,417
Inventory	206,890	-	-	206,890	-
Deposits and prepaid expenses	-	-	47,794	47,794	667,584
<b>Total current assets</b>	<b><u>3,018,519</u></b>	<b><u>1,856,246</u></b>	<b><u>1,181,337</u></b>	<b><u>6,056,102</u></b>	<b><u>8,243,356</u></b>
Restricted assets:					
Deposits and prepaid expenses	-	-	-	-	6,000
<b>Total restricted assets</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>6,000</u></b>
Noncurrent assets:					
Investments (Note 2)	-	-	-	-	190,047
Capital assets, net of accumulated depreciation (Note 4)	<u>23,547,720</u>	<u>27,454,069</u>	<u>17,704,226</u>	<u>68,706,015</u>	<u>1,876,653</u>
<b>Total noncurrent assets</b>	<b><u>23,547,720</u></b>	<b><u>27,454,069</u></b>	<b><u>17,704,226</u></b>	<b><u>68,706,015</u></b>	<b><u>2,066,700</u></b>
<b>Total Assets</b>	<b><u>26,566,239</u></b>	<b><u>29,310,315</u></b>	<b><u>18,885,563</u></b>	<b><u>74,762,117</u></b>	<b><u>10,316,056</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>					
Changes in the net pension liability (Note 6)	<u>170,311</u>	<u>448,246</u>	<u>347,477</u>	<u>966,034</u>	<u>1,173,332</u>
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 170,311</u></b>	<b><u>\$ 448,246</u></b>	<b><u>\$ 347,477</u></b>	<b><u>\$ 966,034</u></b>	<b><u>\$ 1,173,332</u></b>

See accompanying notes to the basic financial statements.



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2024 (CONTINUED)**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>LIABILITIES</u></b>					
Current liabilities					
Accounts payable and other liabilities	\$ 116,817	\$ 31,809	\$ 91,179	\$ 239,805	\$ 858,496
Deferred revenue	-	-	254,498	254,498	-
Accrued interest payable	-	13,982	-	13,982	-
Compensated absences	-	-	-	-	796,232
Long term debt - current portion (Note 5)	-	416,452	-	416,452	109,116
<b>Total current liabilities</b>	<b>116,817</b>	<b>462,243</b>	<b>345,677</b>	<b>924,737</b>	<b>1,763,844</b>
Noncurrent liabilities					
Long term debt, less current portion (Note 5)	-	433,064	-	433,064	168,404
Net pension liability (Note 6)	6,273	115,269	109,669	231,211	442,903
<b>Total noncurrent liabilities</b>	<b>6,273</b>	<b>548,333</b>	<b>109,669</b>	<b>664,275</b>	<b>611,307</b>
<b>Total Liabilities</b>	<b>123,090</b>	<b>1,010,576</b>	<b>455,346</b>	<b>1,589,012</b>	<b>2,375,151</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Changes in the net pension liability (Note 6)	20,852	33,133	15,877	69,862	13,977
<b>Total Deferred Inflows of Resources</b>	<b>20,852</b>	<b>33,133</b>	<b>15,877</b>	<b>69,862</b>	<b>13,977</b>
<b><u>NET POSITION</u></b>					
Net investment in capital assets	23,547,720	26,604,553	17,704,226	67,856,499	1,599,133
Restricted for:					
Other	-	-	-	-	6,000
Debt service	-	445,936	-	445,936	-
Unrestricted	3,044,888	1,664,363	1,057,591	5,766,842	7,495,127
<b>Total Net Position</b>	<b>\$ 26,592,608</b>	<b>\$ 28,714,852</b>	<b>\$ 18,761,817</b>	<b>\$ 74,069,277</b>	<b>\$ 9,100,260</b>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>ASSETS</u></b>					
Current assets:					
Cash and cash equivalents (Note 2)	\$ -	\$ 445,936	\$ 16,087	\$ 462,023	\$ 11,326,212
Investments (Note 2)	-	-	-	-	1,261,720
Due (to)/from other funds	2,376,721	3,012,792	2,144,929	7,534,442	(7,534,442)
Accounts receivable (Note 3)	27,560	1,344,610	814,428	2,186,598	1,026,178
Inventory	168,443	-	-	168,443	-
Deposits and prepaid expenses	-	-	22,542	22,542	591,074
<b>Total current assets</b>	<b><u>2,572,724</u></b>	<b><u>4,803,338</u></b>	<b><u>2,997,986</u></b>	<b><u>10,374,048</u></b>	<b><u>6,670,742</u></b>
Restricted assets:					
Deposits and prepaid expenses	-	-	-	-	6,000
<b>Total restricted assets</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>6,000</u></b>
Noncurrent assets:					
Investments (Note 2)	-	-	-	-	786,199
Capital assets, net of accumulated depreciation (Note 4)	<u>23,352,483</u>	<u>25,932,565</u>	<u>15,927,572</u>	<u>65,212,620</u>	<u>1,237,761</u>
<b>Total noncurrent assets</b>	<b><u>23,352,483</u></b>	<b><u>25,932,565</u></b>	<b><u>15,927,572</u></b>	<b><u>65,212,620</u></b>	<b><u>2,023,960</u></b>
<b>Total Assets</b>	<b><u>25,925,207</u></b>	<b><u>30,735,903</u></b>	<b><u>18,925,558</u></b>	<b><u>75,586,668</u></b>	<b><u>8,700,702</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>					
Changes in the net pension liability (Note 6)	<u>60,750</u>	<u>337,412</u>	<u>238,372</u>	<u>636,534</u>	<u>873,672</u>
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 60,750</u></b>	<b><u>\$ 337,412</u></b>	<b><u>\$ 238,372</u></b>	<b><u>\$ 636,534</u></b>	<b><u>\$ 873,672</u></b>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023 (CONTINUED)**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>LIABILITIES</u></b>					
Current liabilities					
Accounts payable and other liabilities	\$ 105,449	\$ 1,766,811	\$ 1,153,323	\$ 3,025,583	\$ 788,238
Deferred revenue	-	-	560,896	560,896	-
Accrued interest payable	-	20,573	-	20,573	-
Compensated absences	131,310	138,326	95,897	365,533	347,221
Long term debt - current portion (Note 5)	<u>-</u>	<u>400,477</u>	<u>-</u>	<u>400,477</u>	<u>96,331</u>
Total current liabilities	<u>236,759</u>	<u>2,326,187</u>	<u>1,810,116</u>	<u>4,373,062</u>	<u>1,231,790</u>
Noncurrent liabilities					
Long term debt, less current portion (Note 5)	-	849,516	-	849,516	210,976
Net pension liability (Note 6)	<u>(54,574)</u>	<u>53,716</u>	<u>49,076</u>	<u>48,218</u>	<u>276,481</u>
Total noncurrent liabilities	<u>(54,574)</u>	<u>903,232</u>	<u>49,076</u>	<u>897,734</u>	<u>487,457</u>
<b>Total Liabilities</b>	<u>182,185</u>	<u>3,229,419</u>	<u>1,859,192</u>	<u>5,270,796</u>	<u>1,719,247</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Changes in the net pension liability (Note 6)	<u>24,118</u>	<u>36,437</u>	<u>19,130</u>	<u>79,685</u>	<u>22,911</u>
<b>Total Deferred Inflows of Resources</b>	<u>24,118</u>	<u>36,437</u>	<u>19,130</u>	<u>79,685</u>	<u>22,911</u>
<b><u>NET POSITION</u></b>					
Net investment in capital assets	23,352,483	24,682,572	15,927,572	63,962,627	930,454
Restricted for:					
Other	-	-	-	-	6,000
Debt service	-	445,936	-	445,936	-
Unrestricted	<u>2,427,171</u>	<u>2,678,951</u>	<u>1,358,036</u>	<u>6,464,158</u>	<u>6,895,762</u>
<b>Total Net Position</b>	<u>\$ 25,779,654</u>	<u>\$ 27,807,459</u>	<u>\$ 17,285,608</u>	<u>\$ 70,872,721</u>	<u>\$ 7,832,216</u>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>OPERATING REVENUE</u></b>					
Service charges	\$ 4,507,130	\$ 4,519,131	\$ -	\$ 9,026,261	\$ 609,730
Recreation events and programs	<u>-</u>	<u>-</u>	<u>1,412,546</u>	<u>1,412,546</u>	<u>-</u>
Total operating revenues	<u>4,507,130</u>	<u>4,519,131</u>	<u>1,412,546</u>	<u>10,438,807</u>	<u>609,730</u>
<b><u>OPERATING EXPENSES</u></b>					
Direct operating expenses	2,521,112	2,866,226	2,265,031	7,652,369	5,617,522
Depreciation and amortization	<u>1,191,244</u>	<u>1,252,689</u>	<u>759,657</u>	<u>3,203,590</u>	<u>307,147</u>
Total operating expenses	<u>3,712,356</u>	<u>4,118,915</u>	<u>3,024,688</u>	<u>10,855,959</u>	<u>5,924,669</u>
Operating income (loss)	<u>794,774</u>	<u>400,216</u>	<u>(1,612,142)</u>	<u>(417,152)</u>	<u>(5,314,939)</u>
<b><u>NONOPERATING REVENUE (EXPENSE)</u></b>					
Property tax revenue/CFD 94-1	-	-	1,720,548	1,720,548	6,291,087
Investment income (loss)	-	-	2,401	2,401	283,289
Grants	-	470,207	1,067,750	1,537,957	-
Miscellaneous revenues	18,180	75,837	359,700	453,717	8,607
Interest expense	-	(38,867)	-	(38,867)	-
Other nonoperating expenses	<u>-</u>	<u>-</u>	<u>(62,048)</u>	<u>(62,048)</u>	<u>-</u>
Total nonoperating revenue (expense), net	<u>18,180</u>	<u>507,177</u>	<u>3,088,351</u>	<u>3,613,708</u>	<u>6,582,983</u>
<b>Change in Net Position</b>	<u>812,954</u>	<u>907,393</u>	<u>1,476,209</u>	<u>3,196,556</u>	<u>1,268,044</u>
<b>Total Net Position, Beginning of Year</b>	<u>25,779,654</u>	<u>27,807,459</u>	<u>17,285,608</u>	<u>70,872,721</u>	<u>7,832,216</u>
<b>Total Net Position, End of Year</b>	<u>\$ 26,592,608</u>	<u>\$ 28,714,852</u>	<u>\$ 18,761,817</u>	<u>\$ 74,069,277</u>	<u>\$ 9,100,260</u>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>OPERATING REVENUE</u></b>					
Service charges	\$ 4,159,168	\$ 4,376,242	\$ -	\$ 8,535,410	\$ 701,330
Recreation events and programs	<u>-</u>	<u>-</u>	<u>1,350,525</u>	<u>1,350,525</u>	<u>-</u>
Total operating revenues	<u>4,159,168</u>	<u>4,376,242</u>	<u>1,350,525</u>	<u>9,885,935</u>	<u>701,330</u>
<b><u>OPERATING EXPENSES</u></b>					
Direct operating expenses	2,705,667	2,822,468	1,979,132	7,507,267	4,744,232
Administrative and general	-	-	-	-	89,140
Depreciation and amortization	<u>1,308,486</u>	<u>1,135,151</u>	<u>603,470</u>	<u>3,047,107</u>	<u>303,341</u>
Total operating expenses	<u>4,014,153</u>	<u>3,957,619</u>	<u>2,582,602</u>	<u>10,554,374</u>	<u>5,136,713</u>
Operating income (loss)	<u>145,015</u>	<u>418,623</u>	<u>(1,232,077)</u>	<u>(668,439)</u>	<u>(4,435,383)</u>
<b><u>NONOPERATING REVENUE (EXPENSE)</u></b>					
Property tax revenue/CFD 94-1	-	3,050,000	1,960,509	5,010,509	2,647,843
Investment income	-	-	1,606	1,606	225,814
Grants	-	1,849,587	633,281	2,482,868	-
Miscellaneous revenues	27,745	71,372	17,500	116,617	8,298
Interest Expense	-	(54,483)	-	(54,483)	-
Other nonoperating expenses	<u>(4,000)</u>	<u>(387)</u>	<u>(7,018)</u>	<u>(11,405)</u>	<u>-</u>
Total nonoperating revenues (expenses), net	<u>23,745</u>	<u>4,916,089</u>	<u>2,605,878</u>	<u>7,545,712</u>	<u>2,881,955</u>
Income (loss) before capital contributions	<u>168,760</u>	<u>5,334,712</u>	<u>1,373,801</u>	<u>6,877,273</u>	<u>(1,553,428)</u>
Capital contributions	<u>-</u>	<u>137,558</u>	<u>-</u>	<u>137,558</u>	<u>-</u>
<b>Change in Net Position</b>	<u>168,760</u>	<u>5,472,270</u>	<u>1,373,801</u>	<u>7,014,831</u>	<u>(1,553,428)</u>
<b>Total Net Position, Beginning of Year</b>	<u>25,610,894</u>	<u>22,335,189</u>	<u>15,911,807</u>	<u>63,857,890</u>	<u>9,385,644</u>
<b>Total Net Position, End of Year</b>	<u>\$ 25,779,654</u>	<u>\$ 27,807,459</u>	<u>\$ 17,285,608</u>	<u>\$ 70,872,721</u>	<u>\$ 7,832,216</u>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Business-Type</u>				
	<u>Sewer</u>	<u>Water</u>	<u>Recreation</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>					
Cash received from customers	\$ 4,496,243	\$ 4,548,532	\$ 1,015,534	\$ 10,060,309	\$ 430,692
Cash paid to suppliers	(968,257)	(3,067,170)	(1,933,456)	(5,968,883)	(1,673,154)
Cash paid to employees	(1,747,642)	(1,724,969)	(1,630,793)	(5,103,404)	(3,643,781)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u>1,780,344</u>	<u>(243,607)</u>	<u>(2,548,715)</u>	<u>(1,011,978)</u>	<u>(4,886,243)</u>
<b><u>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</u></b>					
Property tax collected	-	-	1,734,126	1,734,126	6,299,886
Interfund receipts (disbursements)	(434,908)	1,654,406	1,500,087	2,719,585	(2,719,585)
Other nonoperating revenues	18,180	75,837	359,700	453,717	8,607
Other nonoperating expenses	-	-	(62,048)	(62,048)	-
<b>Net Cash Provided by (Used for) Noncapital Financing Activities</b>	<u>(416,728)</u>	<u>1,730,243</u>	<u>3,531,865</u>	<u>4,845,380</u>	<u>3,588,908</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>					
Acquisition of capital assets	(1,363,616)	(2,774,193)	(2,472,151)	(6,609,960)	(875,261)
Capital grants received	-	1,733,492	1,472,400	3,205,892	-
Principal paid on capital debt	-	(400,477)	-	(400,477)	-
Interest paid on capital debt	-	(45,458)	-	(45,458)	-
<b>Net Cash Used for Capital and Related Financing Activities</b>	<u>(1,363,616)</u>	<u>(1,486,636)</u>	<u>(999,751)</u>	<u>(3,850,003)</u>	<u>(875,261)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>					
Investment earnings	-	-	2,401	2,401	283,289
Purchase of investments	-	-	-	-	(827,210)
<b>Net Cash Provided by (Used for) Investing Activities</b>	<u>-</u>	<u>-</u>	<u>2,401</u>	<u>2,401</u>	<u>(543,921)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<u>-</u>	<u>-</u>	<u>(14,200)</u>	<u>(14,200)</u>	<u>(2,716,517)</u>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>-</u>	<u>445,936</u>	<u>16,087</u>	<u>462,023</u>	<u>11,326,212</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ -</u>	<u>\$ 445,936</u>	<u>\$ 1,887</u>	<u>\$ 447,823</u>	<u>\$ 8,609,695</u>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2024**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</u></b>					
Operating income (loss)	\$ 794,774	\$ 400,216	\$ (1,612,142)	\$ (417,152)	\$ (5,314,939)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	1,191,244	1,252,689	759,657	3,203,590	307,147
Net change in deferred outflows and inflows	(112,827)	(114,138)	(112,358)	(339,323)	(308,594)
(Increase) decrease in:					
Accounts receivable	27,560	29,401	(90,614)	(33,653)	(179,038)
Inventory	(38,447)	-	-	(38,447)	-
Net pension liability	54,574	-	-	54,574	8,189
Other assets	-	-	(25,252)	(25,252)	(76,510)
Increase (decrease) in:					
Accounts payable	(11,497)	(1,735,002)	(1,126,304)	(2,872,803)	70,258
Other liabilities	(131,310)	(138,326)	(95,897)	(365,533)	449,011
Deferred revenue	-	-	(306,398)	(306,398)	-
Net pension liability	<u>6,273</u>	<u>61,553</u>	<u>60,593</u>	<u>128,419</u>	<u>158,233</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b><u>\$ 1,780,344</u></b>	<b><u>\$ (243,607)</u></b>	<b><u>\$ (2,548,715)</u></b>	<b><u>\$ (1,011,978)</u></b>	<b><u>\$ (4,886,243)</u></b>
<b><u>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>					
Capital assets purchased through payables	<u>\$ 22,865</u>	<u>\$ -</u>	<u>\$ 64,160</u>	<u>\$ 87,025</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>					
Cash received from customers	\$ 4,191,034	\$ 4,422,416	\$ 1,723,806	\$ 10,337,256	\$ 715,328
Cash paid to suppliers	(1,396,472)	(935,112)	(678,713)	(3,010,297)	(1,461,658)
Cash paid to employees	(1,604,547)	(1,607,804)	(1,217,802)	(4,430,153)	(3,173,441)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b><u>1,190,015</u></b>	<b><u>1,879,500</u></b>	<b><u>(172,709)</u></b>	<b><u>2,896,806</u></b>	<b><u>(3,919,771)</u></b>
<b><u>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</u></b>					
Property tax collected	-	3,050,000	1,965,909	5,015,909	2,617,992
Interfund receipts (disbursements)	(259,742)	(254,155)	(598,051)	(1,111,948)	1,111,948
Other nonoperating revenues	27,745	71,372	17,500	116,617	8,298
Other nonoperating expenses	(4,000)	(387)	(7,018)	(11,405)	-
<b>Net Cash Provided by (Used for) Noncapital Financing Activities</b>	<b><u>(235,997)</u></b>	<b><u>2,866,830</u></b>	<b><u>1,378,340</u></b>	<b><u>4,009,173</u></b>	<b><u>3,738,238</u></b>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>					
Acquisition of capital assets	(954,018)	(5,032,097)	(1,277,797)	(7,263,912)	(229,422)
Capital grants received	-	594,145	67,743	661,888	-
Principal paid on capital debt	-	(385,115)	-	(385,115)	-
Interest paid on capital debt	-	(60,821)	-	(60,821)	-
Contributed capital	-	137,558	-	137,558	-
<b>Net Cash Used for Capital and Related Financing Activities</b>	<b><u>(954,018)</u></b>	<b><u>(4,746,330)</u></b>	<b><u>(1,210,054)</u></b>	<b><u>(6,910,402)</u></b>	<b><u>(229,422)</u></b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>					
Investment earnings	-	-	1,606	1,606	225,814
Purchase of investments	-	-	-	-	(338,691)
<b>Net Cash Provided by (Used for) Investing Activities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,606</u></b>	<b><u>1,606</u></b>	<b><u>(112,877)</u></b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>-</b>	<b>-</b>	<b>(2,817)</b>	<b>(2,817)</b>	<b>(523,832)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b><u>-</u></b>	<b><u>445,936</u></b>	<b><u>18,904</u></b>	<b><u>464,840</u></b>	<b><u>11,850,044</u></b>
<b>Cash and Cash Equivalents, End of Year</b>	<b><u>\$ -</u></b>	<b><u>\$ 445,936</u></b>	<b><u>\$ 16,087</u></b>	<b><u>\$ 462,023</u></b>	<b><u>\$ 11,326,212</u></b>

See accompanying notes to the basic financial statements.



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type</b>				
	<b>Sewer</b>	<b>Water</b>	<b>Recreation</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</u></b>					
Operating income (loss)	\$ 145,015	\$ 418,623	\$ (1,232,077)	\$ (668,439)	\$ (4,435,383)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	1,308,486	1,135,151	603,470	3,047,107	303,341
Net change in deferred outflows and inflows	(242,476)	(253,621)	(189,565)	(685,662)	(603,521)
(Increase) decrease in:					
Accounts receivable	48,776	46,174	44,049	138,999	33,369
Inventory	10,312	-	-	10,312	-
Net pension asset	253,624	211,565	149,205	614,394	343,649
Other assets	-	-	(10,000)	(10,000)	(68,448)
Increase (decrease) in:					
Accounts payable	(333,722)	239,211	54,060	(40,451)	165,152
Other liabilities	-	28,681	29,841	58,522	54,446
Deferred revenue	-	-	329,232	329,232	-
Net pension liability	-	53,716	49,076	102,792	287,624
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b><u>\$ 1,190,015</u></b>	<b><u>\$ 1,879,500</u></b>	<b><u>\$ (172,709)</u></b>	<b><u>\$ 2,896,806</u></b>	<b><u>\$ (3,919,771)</u></b>
<b><u>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>					
Capital assets purchased through payables	<u>\$ -</u>	<u>\$ 1,339,478</u>	<u>\$ 1,040,840</u>	<u>\$ 2,380,318</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The North Tahoe Public Utility District (the "District") was organized in 1948 for the principal purpose of providing sewage collection and treatment facilities for the residents of the area. The District began providing water services in 1967 with the acquisition of the Brockway Water Company and has since then acquired several small water companies. In 1970, the District established a department for recreational activities. Under its broad powers of service. The general area of the District is located along approximately seven miles of the north shore of Lake Tahoe from the Nevada state line at Crystal Bay to the boundaries of the Tahoe City Public Utility District at Dollar Point, California.

For financial reporting purposes, the District includes all funds that are controlled by or dependent on the District's Board of Directors. Management has determined the District to be a single reporting entity for financial reporting purposes by applying the criteria set forth in Statement of Governmental Accounting Standards No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. This criteria requires the reporting entity to have a separate elected governing body, that it be a legal separate entity and fiscally independent. Based on the foregoing criteria; the District has included in these financial statements the North Tahoe Building Corporation (the "Corporation"), a California nonprofit public benefit corporation. The Corporation is controlled by the same governing authority, utilizes the same management, and is financially dependent upon the District. Its operations are influenced by the District and the District is responsible for its fiscal management, budgetary control, surpluses and deficits, and provides the sole source of its revenues. The Corporation provides financing for the District's renovation of its sewer and water systems. See Note 5 for description of debt outstanding. Separate financial statements for the Corporation may be obtained by contacting Lori Pommerenck, Interim Chief Financial Officer, North Tahoe Public Utility District, P.O. Box 139, Tahoe Vista, CA 96148-0139.

**B. Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**C. Measurement Focus, Basis of Accounting and Presentation**

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District applies all applicable GASB pronouncements in its accounting and reporting.

The statement of net position and the statement of revenues, expenses, and changes in net position, are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources (whether current or noncurrent) associated with the operation of these funds are reported. Proprietary fund equity is classified as net position.

The accounts of the District are organized and operated as proprietary funds consisting of three enterprise funds and internal service funds. The operation of a fund is accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenses.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal service funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

The financial statements of proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include taxes and grants. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by unrestricted resources if necessary. Restricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services and recreation fees. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

The District reports three major funds. The Sewer Fund is an enterprise fund that is used to account for the District's provision of sewer and related services and support services. The Water Fund is an enterprise fund that is used to account for the District's provision of water and related services. The Recreation Fund is an enterprise fund that is used to account for the District's provision of recreation related services, including the Event Center. Interfund activity between these funds has been eliminated in the financial statement presentation. Also presented on the basic financial statements are allocations from each major fund to the District's fleet and general and administrative internal service funds.

**D. Budgetary Reporting**

The District prepares an annual operating budget which is approved and adopted by the Board of Directors. The budget serves as an approved plan to facilitate financial control and operational evaluation. California State law does not require formal adoption of appropriated budgets for enterprise funds.

**E. Cash and Cash Equivalents**

The District considers cash and all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. The District's cash and cash equivalents consist of cash, deposits in financial institutions, certificates of deposit, savings and cash with fiscal agents (including restricted assets). Cash and cash equivalents invested for specific requirements, such as deposits for construction projects, are segregated as restricted cash and cash equivalents.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Investments**

Investments are reported at fair value. Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

**G. Fair Value Inputs, Methodologies, and Hierarchy**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the assets. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

**Level 1** - Unadjusted price quotations in active markets/exchanges for identical assets or liabilities that are accessible to the District.

**Level 2** - Other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs.)

**Level 3** - Unobservable inputs based on the best information available in the circumstance, to the extent observable inputs are not available (including the District's own assumptions used in determining the fair value of investments).

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). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

**H. Accounts Receivable**

Accounts receivable represent service charges and other revenues billed and uncollected at year-end, along with amounts accrued for items billed after year-end for service periods before year-end. Each year the District records liens for delinquent charges and collects through the property tax bill for active accounts, and pursues full-collection for closed accounts with unpaid balances. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

**I. Inventory**

Inventory is valued at cost, using the first-in first-out method (FIFO). Inventory consists of supplies used in the maintenance of water and sewer lines. The cost is recorded as an expense as inventory items are consumed.

**J. Prepaid Expenses**

Certain payments for health insurance and liability insurance reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Capital Assets**

Capital assets are defined by the District as assets with an initial cost of \$5,000 or more, and subscription assets with a present value of \$15,000 or more, and with an estimated useful life in excess of one year. Capital assets are stated at cost less accumulated depreciation, except for subscription assets, or the market value at the time received in case of gifts or contributions. Maintenance and repairs are charged to expense as incurred and replacements which improve or extend the lives of property are capitalized. All depreciation/amortization is computed on the straight-line basis over the following useful lives:

	<u>Years</u>
Water and Sewer System	30 - 50
Buildings	30 - 50
Building and Park Improvements	10 - 25
Furniture and Equipment	5 - 15
Vehicles	7
Subscription assets	3 - 6

**L. Compensated Absences**

The District has accrued a liability for vacation and sick pay which has been earned but not taken by District employees. A maximum of up to 20 days of vacation and 12 days of sick leave per year may be accumulated per employee. Employees are paid between 50% and 75% of their accumulated sick leave depending upon tenure and the nature of their termination. A maximum of three times the employee's annual rate of vacation may be accumulated for employees depending on the employment agreements (Union and Management). The District accrues a liability for compensated absences once the District's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered, the obligation relates to rights that vest or accumulate, payment of the compensation is probable, and the amount can reasonably be estimated.

**M. Pension Plan**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

<u>CalPERS</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Valuation date	June 30, 2022	June 30, 2021
Measurement date	June 30, 2023	June 30, 2022
Measurement period	July 1, 2022 and June 30, 2023	July 1, 2021 to June 30, 2022

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Capital Contributions**

Capital contributions are assets contributed by Special Assessment Districts or real estate developers.

**O. Subscription-Based Information Technology Arrangements (SBITA)**

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The District uses various SBITA assets that it contracts through on-premise and cloud computing arrangements, such as software as a service and platform as a service. The related obligations are presented in amounts equal to the present value of subscription payments, payable during the remaining SBITA term. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

**P. Property taxes**

Taxes are levied on November 1st and February 1st and are due and payable at that time. Unpaid property taxes are attached as an enforceable lien on property as of March 1st. Property tax revenues are recognized in the fiscal period for which they are levied and in which they become available. The District relies upon the competency of Placer County for assessing the property tax and establishing a lien date, and for billing, collecting and distributing its share of the property tax revenue.

**Q. Restricted Resources**

The District's policy is to first apply restricted resources when an expense is incurred for purposes which both restricted and unrestricted net position are available.

**R. Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**S. Net Position**

Net position represents the difference between all other elements in the statement of net position and is displayed in the following three components:

**Net Investment in Capital Assets** – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted** – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

**Unrestricted** – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**T. Risk Pools**

The District is a member of the Special District Risk Management Authority (SDRMA) which provides workers' compensation coverage for the District in addition to health insurance for management. All costs are currently recorded as direct operating expenses.

**U. Comparative Information and Reclassifications**

Certain amounts presented in the prior year have been reclassified in order to be consistent with current year's presentation.

**V. Implementation of Government Accounting Standards Board Statements**

Effective July 1, 2023, the District implemented the following accounting and financial reporting standards:

Governmental Accounting Standards Board Statement No. 99

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for guarantees. The District has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement related to leases, PPPs and SBITAs are effective for the District's fiscal year ending June 30, 2023 and the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the District's fiscal year ending June 30, 2024. Application of this statement had no material impact on the District's financial statements for the fiscal year ending June 30, 2024.

Governmental Accounting Standards Board Statement No. 100

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Application of this statement had no material impact on the District's financial statements for the fiscal year ending June 30, 2024.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**W. Future Government Accounting Standards Board Statements**

These statements are not effective until July 1, 2024 or later and may be applicable for the District. However, the District has not determined what impact, if any, these pronouncements will have on the financial statements.

Governmental Accounting Standards Board Statement No. 101

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for the District's fiscal year ending June 30, 2025.

Governmental Accounting Standards Board Statement No. 102

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The primary objective of this Statement is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. The requirements of this statement are effective for the District's fiscal year ending June 30, 2026.

Governmental Accounting Standards Board Statement No. 103

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this statement are effective for the District's fiscal year ending June 30, 2026.

Governmental Accounting Standards Board Statement No. 104

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objectives of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital asset note disclosures required by Statement 34, and also requires additional disclosures for capital assets held for sale. The requirements of this statement are effective for the District's fiscal year ending June 30, 2026.



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 2: CASH AND INVESTMENTS**

Cash and investments as of June 30, 2024 and 2023 consisted of the following:

	<b>2024</b>	<b>2023</b>
<u>Cash and cash equivalents:</u>		
Unrestricted:		
Cash on hand	\$ 1,600	\$ 1,100
Unrestricted deposits in financial institutions	3,631,322	2,958,038
Deposits in Local Agency Investment Fund (LAIF)	1,420,463	8,829,097
California CLASS	4,004,133	-
Total cash and cash equivalents	\$ 9,057,518	\$ 11,788,235
 <u>Investments:</u>		
Unrestricted:		
U.S. government securities	\$ 234,290	\$ 703,386
Mutual funds	22,142	21,672
Certificates of deposit	2,073,333	902,842
CalPERS trust	444,799	420,019
Total investments	\$ 2,774,564	\$ 2,047,919

Investments Authorized by the California Government Code and the District's Investment Policy

Statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities within the State, State Treasury, bankers' acceptances, and commercial paper of the highest ranking provided by Moody's Investors Service, Inc., or Standard and Poor's Corporation, repurchase or reverse repurchase agreements, and the State Treasurer's Investment Pool.

The investment policy set by the Directors of the District is more conservative than that set by state statute. The policy allows the District treasurer to invest in certificates of deposit, U.S. Treasury Bills, instruments guaranteed by the U.S. Government, Money Market Accounts, and investment in U.S. Government securities, Placer County Investment Fund, and the LAIF.

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 the District 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 the District's operations and capital improvement program.

In addition, the Investment Policy limits the purchase of securities to those with maturities of five years or less. Longer investments require prior authorization of the Board of Directors. Certain investments that are highly sensitive to interest rate fluctuations are prohibited by the Investment Policy.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2024:

Investment Type	Investment Maturities (in years)			
	Fair Value	Less than 1	1-2	3-5
Mutual funds	\$ 22,142	\$ 22,142	\$ -	\$ -
U.S. government securities	234,290	234,290	-	-
Certificates of deposit	2,073,333	1,883,286	190,047	-
CalPERS Trust	444,799	444,799	-	-
	<u>\$ 2,774,564</u>	<u>\$ 2,584,517</u>	<u>\$ 190,047</u>	<u>\$ -</u>

Investments of the District subject to interest rate risk on June 30, 2023 are summarized as follows:

Investment Type	Investment Maturities (in years)			
	Fair Value	Less than 1	1-2	3-5
Mutual funds	\$ 21,672	\$ 21,672	\$ -	\$ -
U.S. government securities	703,386	477,714	225,672	-
Certificates of deposit	902,842	342,315	380,259	180,268
CalPERS Trust	420,019	420,019	-	-
	<u>\$ 2,047,919</u>	<u>\$ 1,261,720</u>	<u>\$ 605,931</u>	<u>\$ 180,268</u>

Concentration of Credit Risk

Concentration of Credit risk is the risk of loss attributed to the magnitude of an investor's investment in a single issuer. To limit this risk, the District places a limit on the amount that can be invested in any one issuer to the lesser of the amount stipulated by the California Government Code or 10% investments, with the exception of U.S. Treasury obligation bonds, U.S. Agency securities, and pooled investment funds.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the depositor will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The District's Investment Policy requires the financial institution to either collateralize the deposits or cover them with Federal deposit insurance. The District's cash and deposits in financial institutions, totaling \$3,633,443 as of June 30, 2024, are secured by federal depository insurance for \$250,000 with the remainder covered by collateral held by an agent of the pledging bank in the District's name.

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF which are recorded on an amortized cost basis.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Investment in California CLASS

California CLASS in a Joint Powers Authority created by public agencies to provide a convenient method for agencies to pool their assets for investment purposes. California CLASS is governed by a Board of Trustees made up of experienced local agency executives. The Board sets overall policies for the program and selects and supervises the activities of the investment manager and other agents. Following the investment policy direction established by the Board of Trustees, the primary objective of the investment manager is to safeguard the principal. The secondary objective shall be to meet the liquidity needs of the participants, and the final objective shall be to maximize the yield in a manner consistent with the first two objectives. The objective of the investment policy is to obtain the best possible return commensurate with the degree of risk that participants are willing to assume in obtaining such return. The District invests in the California CLASS Prime Fund. The 30 day yield at June 30, 2024 was 5.4025% and the weighted average maturity was 32 days.

Investment Valuation

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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. The District does not have any investments that are measured using Level 3 inputs.

The following table set forth by level, within the fair value hierarchy, the District's assets at fair value as of June 30, 2024.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 22,142	\$ -	\$ -	\$ 22,142
U.S. government securities	-	234,290	-	234,290
Certificates of deposit	-	2,073,333	-	2,073,333
CalPERS trust	-	<u>444,799</u>	-	<u>444,799</u>
Total investments at fair value	<u>\$ 22,142</u>	<u>\$ 2,752,422</u>	<u>\$ -</u>	<u>\$ 2,774,564</u>

The following table set forth by level, within the fair value hierarchy, the District's assets at fair value as of June 30, 2023.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 21,672	\$ -	\$ -	\$ 21,672
U.S. government securities	-	703,386	-	703,386
Certificates of deposit	-	902,842	-	902,842
CalPERS trust	-	<u>420,019</u>	-	<u>420,019</u>
Total investments at fair value	<u>\$ 21,672</u>	<u>\$ 2,026,247</u>	<u>\$ -</u>	<u>\$ 2,047,919</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 3: ACCOUNTS RECEIVABLE**

Accounts receivable, presented as current assets as of June 30, 2024 and 2023, consisted of the following:

	<u>2024</u>	<u>2023</u>
Service charges	\$ 911,051	\$ 796,115
Property tax	350,799	365,565
Grants	240,382	1,908,317
Other	<u>232,923</u>	<u>142,779</u>
Total accounts receivable	<u>\$ 1,735,155</u>	<u>\$ 3,212,776</u>

**NOTE 4: CAPITAL ASSETS**

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

	<u>July 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2024</u>
Capital assets not being depreciated					
Land and property rights	\$ 7,138,605	\$ -	\$ -	\$ -	\$ 7,138,605
Construction in progress	<u>9,475,866</u>	<u>6,856,301</u>	<u>-</u>	<u>(13,617,377)</u>	<u>2,714,790</u>
Total capital assets not being depreciated	<u>16,614,471</u>	<u>6,856,301</u>	<u>-</u>	<u>(13,617,377)</u>	<u>9,853,395</u>
Capital assets being depreciated/amortized					
Building and improvements	27,864,844	16,741	-	3,749,892	31,631,477
Sewer system	41,036,491	-	-	194,637	41,231,128
Water system	39,147,925	20,088	-	9,578,868	48,746,881
Vehicles and equipment	8,164,961	679,116	-	-	8,844,077
Furniture and office equipment	1,886,358	-	-	93,980	1,980,338
Intangible right-to-use software agreements	<u>520,859</u>	<u>70,778</u>	<u>-</u>	<u>-</u>	<u>591,637</u>
Total capital assets being depreciated/amortized	<u>118,621,438</u>	<u>786,723</u>	<u>-</u>	<u>13,617,377</u>	<u>133,025,538</u>
Less accumulated depreciation/amortization	<u>(68,785,528)</u>	<u>(3,510,737)</u>	<u>-</u>	<u>-</u>	<u>(72,296,265)</u>
Total capital assets being depreciated/amortized, net	<u>49,835,910</u>	<u>(2,724,014)</u>	<u>-</u>	<u>13,617,377</u>	<u>60,729,273</u>
Capital assets, net	<u>\$ 66,450,381</u>	<u>\$ 4,132,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,582,668</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

Capital asset activity for the year ended June 30, 2023 was as follows:

	<u>July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2023</u>
Capital assets not being depreciated					
Land and property rights	\$ 7,138,605	\$ -	\$ -	\$ -	\$ 7,138,605
Construction in progress	<u>6,732,475</u>	<u>9,534,816</u>	<u>-</u>	<u>(6,791,425)</u>	<u>9,475,866</u>
Total capital assets not being depreciated	<u>13,871,080</u>	<u>9,534,816</u>	<u>-</u>	<u>(6,791,425)</u>	<u>16,614,471</u>
Capital assets being depreciated/amortized					
Building and improvements	25,502,056	-	-	2,362,788	27,864,844
Sewer system	37,277,955	-	-	3,758,536	41,036,491
Water system	38,467,260	193,870	-	486,795	39,147,925
Vehicles and equipment	7,999,255	144,966	-	20,740	8,164,961
Furniture and office equipment	1,723,792	-	-	162,566	1,886,358
Intangible right-to-use software agreements	<u>224,793</u>	<u>296,066</u>	<u>-</u>	<u>-</u>	<u>520,859</u>
Total capital assets being depreciated/amortized	<u>111,195,111</u>	<u>634,902</u>	<u>-</u>	<u>6,791,425</u>	<u>118,621,438</u>
Less accumulated depreciation/amortization	<u>(65,435,080)</u>	<u>(3,350,448)</u>	<u>-</u>	<u>-</u>	<u>(68,785,528)</u>
Total capital assets being depreciated/amortized, net	<u>45,760,031</u>	<u>(2,715,546)</u>	<u>-</u>	<u>6,791,425</u>	<u>49,835,910</u>
Capital assets, net	<u>\$ 59,631,111</u>	<u>\$ 6,819,270</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,450,381</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

Construction in progress as of June 30, 2024 consisted of the following:

<u>Fund</u>	<u>Project Description</u>	<u>Amount</u>
Sewer	Packaged Satellite Sewer Pump Station Improvement	\$ 1,920,009
Sewer	Sewage Export System	6,438
Sewer	Packaged Satellite Sewer Pump Station Improvement	118,869
Water	Brockway Vista	107,574
Water	National Ave Water Treatment Plant	8,014
Water	Trout Fire Protection Water Infrastructure	861
Water	CW Booster Station 2 pump	7,851
Water	Small Projects	2,838
Water	Carnelian Woods Brook Fox Water Service	1,322
Recreation	Wayfinding and Destination Signage	63,906
Recreation	NTEC Emergency Generator	121,932
Recreation	Customer Irrigation Rebate	1,720
Recreation	NTEC Architectural Planning Study	149,955
Recreation	Joint Needs Analysis	41,963
Recreation	Park Facility Improvements	11,081
Recreation	NTRP Multi-Purpose Trail	52,826
Recreation	Pickleball Plaza Improvements	17,103
Recreation	Secline Property Improvements	3,080
Recreation	Small Projects	4,083
General Administration	Corporation Yard Layout	15,318
General Administration	Administration Building Roof Improvements	22,988
General Administration	Base Facility Detention Pond Fencing	9,314
General Administration	Server and Network Equipment Replacement	25,745
		<u>\$ 2,714,790</u>

Construction in progress as of June 30, 2023 consisted of the following:

<u>Fund</u>	<u>Project Description</u>	<u>Amount</u>
Sewer	National Ave. Pump Station - Transmitter Enclosures	\$ 899,998
Sewer	Packaged Satellite Sewer Pump Station Improvement	120
Water	Cybersecurity Assessment Implementation	15,786
Water	Golden and Rainbow Watermain 710	6,899,496
Water	Brockway Vista	37,941
Recreation	Wayfinding Sign	125,902
Recreation	Forest Fuel Reduction	18,573
Recreation	Wayfinding and Destination Signage	55,479
Recreation	Joint Needs Analysis	158,992
Recreation	NTEC Emergency Generator	63,824
Recreation	Regional Park Trailhead Project	57,567
Recreation	NTEC Architectural Planning Study	132,380
Recreation	NTRP Irrigation Upgrade Project	68,200
Recreation	Regional Park Tennis/Pickleball Court	936,816
General Administration	Computer Replacement	4,792
		<u>\$ 9,475,866</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

Depreciation expense for the years ended June 30, 2024 and 2023 was charged to the enterprise activities as follows:

	<u>2024</u>	<u>2023</u>
Sewer	\$ 1,191,244	\$ 1,308,486
Water	1,252,689	1,135,151
Recreation	759,657	603,470
Fleet and Equipment	307,147	303,341
General and Administrative	<u>-</u>	<u>-</u>
	<u>\$ 3,510,737</u>	<u>\$ 3,350,448</u>

**NOTE 5: LONG TERM LIABILITIES**

A summary of long-term liability activity for the years ended June 30, 2024 and 2023 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Installment Note	\$ 1,249,993	\$ -	\$ (400,477)	\$ 849,516	\$ 416,452
Subscription (SBITA) liability	<u>307,307</u>	<u>70,757</u>	<u>(100,544)</u>	<u>277,520</u>	<u>109,116</u>
Total - June 30, 2024	<u>\$ 1,557,300</u>	<u>\$ 70,757</u>	<u>\$ (501,021)</u>	<u>\$ 1,127,036</u>	<u>\$ 525,568</u>
Installment Note	\$ 1,635,108	\$ -	\$ (385,115)	\$ 1,249,993	\$ 400,477
Subscription (SBITA) liability	<u>186,670</u>	<u>245,212</u>	<u>(124,575)</u>	<u>307,307</u>	<u>96,331</u>
Total - June 30, 2023	<u>\$ 1,821,778</u>	<u>\$ 245,212</u>	<u>\$ (509,690)</u>	<u>\$ 1,557,300</u>	<u>\$ 496,808</u>

Installment Note

On September 1, 2010, the District entered into an installment sale agreement (the "Agreement") for \$4.5 million to finance the construction of certain capital facilities related to the District's water acquisition, storage, and distribution system consisting primarily of a water storage tank and appurtenances. The Agreement's interest rate is 3.95% and is payable semi-annually. Principal repayment began in August 2013 and concludes on February 1, 2026. Total interest incurred during the years ended June 30, 2024 and 2023 was \$38,867 and \$54,483, respectively. All interest during both years was expensed. Loan is collateralized by the asset described.

Principal and interest maturities of long-term debt are as follows:

<u>Years ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 416,452	\$ 29,484	\$ 445,936
2026	<u>433,064</u>	<u>12,872</u>	<u>445,936</u>
Total payments	<u>\$ 849,516</u>	<u>\$ 42,356</u>	<u>\$ 891,872</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 5: LONG TERM LIABILITIES (CONTINUED)**

Subscriptions (SBITAs)

The District has entered into subscription-based information arrangements (SBITAs) involving various software subscriptions. The total costs of the District's subscription assets are recorded as \$591,637, less accumulated amortization of \$249,829.

Years ending June 30,	Principal	Interest	Total
2025	\$ 109,116	\$ 16,278	\$ 125,394
2026	118,915	9,854	128,769
2027	49,489	2,896	52,385
Total payments	\$ 277,520	\$ 29,028	\$ 306,548

**NOTE 6: PENSION PLAN**

**A. General Information about the Pension Plan**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of a safety risk pool and a miscellaneous risk pool which are comprised of individual employer miscellaneous and safety rate plans, respectively, including those of the District. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety and miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the safety or miscellaneous pools. The District's employer rate plans in the miscellaneous risk pool include the Miscellaneous plan (Miscellaneous) and the PEPRA Miscellaneous plan (PEPRA Miscellaneous). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members and PEPRA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service.



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 6: PENSION PLAN (CONTINUED)**

The rate plan's provisions and benefits in effect at June 30, 2024 and 2023, are summarized as follows:

Hire Date	Hired prior to January 1, 2013		Hired on or after January 1, 2013	
	2024	2023	2024	2023
Benefit Formula	2.0% @ 55		2.0% @ 62	
Benefit Vesting Schedule	5 years service		5 years service	
Benefit Payments	monthly for life		monthly for life	
Retirement Age	50		52	
Monthly Benefits, as a % of Eligible Compensation	1.462% to 2.418%		1.0% to 2.5%	
Required Employee Contribution Rates	6.92%		7.750%	
Required Employer Contribution Rates	11.840%	10.350%	7.680%	7.470%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's contributions to the Plan for the years ended June 30, 2024 and 2023 were \$1,076,888 and \$424,499, respectively.

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2024 and 2023, the District reported a net pension liability of \$674,114 and 324,699 for its proportionate share of the net pension liability of the Plan.

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability of the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability of the Miscellaneous Plan as of the measurement date June 30, 2023 was as follows:

Proportion - June 30, 2022	0.00694 %
Proportion - June 30, 2023	<u>0.01348 %</u>
Change - increase	<u>0.00654 %</u>

The District's proportionate share of the net pension liability (asset) of the Miscellaneous Plan as of the measurement date June 2022 was as follows:

Proportion - June 30, 2021	(0.05392)%
Proportion - June 30, 2022	<u>0.00694 %</u>
Change - increase	<u>0.06086 %</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 6: PENSION PLAN (CONTINUED)**

For the years ended June 30, 2024 and 2023, the District recognized pension expense of \$778,385 and \$483,772, respectively. Pension expense is comprised of various elements including service cost, interest, changes in benefit terms, investment experience, and amortization of deferred outflows and inflows of resources, which are all factors used by the actuaries in the calculation of net pension liability.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 1,076,888	\$ -
Adjustment due to differences in proportions	187,475	35,760
Difference between actual and expected experience	129,429	18,896
Changes in assumptions	143,973	-
Difference between actual and required contributions	106,828	29,183
Net difference between projected and actual earning on plan investments	<u>494,773</u>	<u>-</u>
Total	<u>\$ 2,139,366</u>	<u>\$ 83,839</u>

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 424,499	\$ -
Adjustment due to differences in proportions	121,532	56,796
Difference between actual and expected experience	42,721	30,012
Changes in assumptions	228,665	-
Difference between actual and required contributions	169,668	15,788
Net difference between projected and actual earning on plan investments	<u>523,121</u>	<u>-</u>
Total	<u>\$ 1,510,206</u>	<u>\$ 102,596</u>

The reported deferred outflows of resources related to contributions subsequent to the measurement date of \$1,076,888 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ended June 30,</u>	
2025	\$ 339,436
2026	230,953
2027	393,859
2028	<u>14,391</u>
Total	<u>\$ 978,639</u>

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 6: PENSION PLAN (CONTINUED)**

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return (2)	6.80% net of pension plan investment expenses, includes inflation
Mortality (1)	Derived using CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies.

(1): The mortality table used was developed based on CalPERS' specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report that can be found on the CalPERS website.

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 6: PENSION PLAN (CONTINUED)**

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Using historical and forecasted information for all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class as of June 30, 2023 and 2022. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

<u>Asset class</u>	<u>Assumed asset allocation</u>	<u>Real return years 1-10 (1)</u>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00)%	(0.59)%

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-2022 Asset Liability Management study.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 6: PENSION PLAN (CONTINUED)**

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

At June 30, 2024 the discount rate comparison was the following:

	<b>Discount Rate - 1%</b> <b>5.90%</b>	<b>Current Discount Rate</b> <b>6.90%</b>	<b>Discount Rate + 1%</b> <b>7.90%</b>
Net pension liability	\$2,247,678	\$674,114	\$(621,067)

At June 30, 2023 the discount rate comparison was the following:

	<b>Discount Rate - 1%</b> <b>5.90%</b>	<b>Current Discount Rate</b> <b>6.90%</b>	<b>Discount Rate + 1%</b> <b>7.90%</b>
Net pension liability	\$1,719,157	\$324,669	\$(822,596)

*Allocation Between the District's Funds*

The net pension liability has been allocated to the District's enterprise funds based on their respective percentage of total annual pensionable wages.

*Pension Plan Fiduciary Net Position*

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. The annual financial report can be obtained at [calpers.ca.gov](http://calpers.ca.gov).

**NOTE 7: DEFINED CONTRIBUTION PLAN**

The District has a defined contribution money purchase pension plan (the North Tahoe Public Utility District Money Purchase Pension Plan) maintained by Officers of the District as trustees. No other entity contributed to this plan. The last contribution to this plan was made on August 27, 2010 when the District transitioned to a defined benefit plan with California Public Employees' Retirement System (CalPERS).

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 8: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; injuries to employees; life and health of employees; and natural disasters.

The District purchases commercial property insurance for real and personal property damage owned by the District with coverage up to a maximum of \$16.5 million with blanket coverage extension of \$2 million. The District also purchases property insurance covering unscheduled contractor's equipment, scheduled equipment, and rented equipment.

The District purchases general liability and management liability insurance coverage up to policy term aggregate limits of \$10 million each subject to various sub-policy limits, generally \$1 million for various activities. The District also maintains insurance coverage related to employee dishonesty and crime of \$10 million aggregate. Finally, the District maintains commercial automobile insurance for vehicle related property damage with coverage up to a maximum of \$1.0 million and commercial umbrella insurance or excess liability coverage up to a maximum of \$10 million.

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

Construction Commitments

The District has entered into design and construction commitments totaling \$16,260,187 and \$12,986,413 for years ended June 30, 2024 and 2023, respectively. As of June 30, 2024 the amount earned on the contracts was \$13,702,215 with a remaining balance of \$2,557,972. As of June 30, 2023, the amount earned on contracts was \$8,256,175 with a remaining balance of \$4,730,238.

Litigation

The District has received federal and state grants for specific purposes that are subject to review and audit by the federal and state government. Although such audits could result in expenditure being disallowed under grant terms, any required reimbursements are not expected to be material.

The District is also subject to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to such actions will not materially affect the financial position or results of operations of the District.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 10: JOINT POWERS AUTHORITY**

The District is a member of a joint powers authority, Special District Risk Management Authority (SDRMA), for the operation of a common risk management and insurance program. The program covers workers' compensation and medical, dental, and vision coverage. SDRMA is governed by a Board of Directors consisting of representatives from member agencies, which controls the operations of the SDRMA, including selection of management and approval of operating budgets.

The following is a summary of the most current audited financial information for SDRMA as of June 30, 2023 (the most recent information available):

Total assets	\$ 148,239,191
Total liabilities	76,717,988
Net assets	71,521,203
Total income	100,884,445
Total expense	96,706,371

The relationships between North Tahoe Public Utility District and the joint powers authorities are such that SDRMA is not considered a component unit of the District for financial reporting purposes.

**NOTE 11: VOTER LEGISLATION**

Proposition 218, which was approved by the voters in November 1996, regulates the District's ability to impose, increase, and extend assessments and fees. Any new, increased, or extended assessments and fees subject to the provisions of Proposition 218 require voter approval before they can be implemented. Additionally, Proposition 218 provides that these assessments and fees are subject to the voter initiative process and may be rescinded in the future by the voters.

**NOTE 12: SUBSEQUENT EVENTS**

Management has evaluated events subsequent to June 30, 2024 through December 5, 2024, the date on which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**



**NORTH TAHOE PUBLIC UTILITY DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
AS OF JUNE 30, 2024  
LAST 10 YEARS**

	Measurement Period				
	2023	2022	2021	2020	2019
Proportion of the net pension liability (asset)	0.00540 %	0.00281 %	(0.01893)%	0.00191 %	0.00014 %
Proportionate share of the net pension liability (asset)	\$ 674,114	\$ 324,699	\$(1,023,758)	\$ 207,666	\$ 14,642
Covered payroll	\$ 4,795,536	\$ 3,980,826	\$ 3,946,442	\$ 3,611,610	\$ 3,338,200
Proportionate share of the net pension liability as a percentage of covered payroll	14.06 %	8.16 %	(25.94)%	5.75 %	0.44 %
Plan fiduciary net position as a percentage of the total pension liability	94.21 %	96.83 %	111.04 %	97.30 %	99.78 %

**Notes to Schedule:**

**Benefit changes:** In 2015, benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

**Changes in assumptions:** In November 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions. For PERF C, these changes were implemented in the June 30, 2021, actuarial valuations for funding purposes. Included in these changes were assumptions for inflation, the discount rate, and administrative expenses, as well as demographic assumptions including changes to mortality rates. The inflation assumption was reduced from 2.50 percent to 2.3 percent, the administrative expense assumption was reduced from 0.15 percent to 0.10 percent, and the discount rate was reduced from 7.00 percent to 6.80 percent. As a result, for financial reporting purposes, the discount rate for the PERF C was lowered from 7.15 percent to 6.90 percent in Fiscal Year 2021-22. In 2021, 2020 and 2019, there were no changes. In 2018, the demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)  
AS OF JUNE 30, 2024  
LAST 10 YEARS**

	<b>Measurement Period</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Proportion of the net pension liability (asset)	0.00489 %	0.00517 %	0.00411 %	0.00327 %	0.00453 %
Proportionate share of the net pension liability (asset)	\$ 471,608	\$ 513,101	\$ 355,920	\$ 224,584	\$ 285,489
Covered payroll	\$ 3,512,806	\$ 3,315,324	\$ 2,891,320	\$ 2,950,176	\$ 2,794,438
Proportionate share of the net pension liability as a percentage of covered payroll	13.43 %	15.48 %	12.31 %	7.61 %	10.22 %
Plan fiduciary net position as a percentage of the total pension liability	91.15 %	87.37 %	88.59 %	90.71 %	83.03 %

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS TO THE COST SHARING DEFINED BENEFIT PENSION PLAN  
AS OF JUNE 30, 2024  
LAST 10 YEARS**

	<b>Fiscal Year-End</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Contractually required contribution (actuarially determined)	\$ 455,681	\$ 424,499	\$ 366,067	\$ 372,171	\$ 331,781
Contributions in relation to the actuarially determined contributions	<u>(1,076,888)</u>	<u>(424,499)</u>	<u>(746,276)</u>	<u>(372,171)</u>	<u>(331,781)</u>
Contribution deficiency (excess)	<u>\$ (621,207)</u>	<u>\$ -</u>	<u>\$ (380,209)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,046,185	\$ 4,795,536	\$ 3,980,826	\$ 3,946,442	\$ 3,811,416
Contributions as a percentage of covered payroll	21.34 %	8.85 %	18.75 %	9.43 %	8.70 %

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS TO THE COST SHARING DEFINED BENEFIT PENSION PLAN (CONTINUED)  
AS OF JUNE 30, 2024  
LAST 10 YEARS**

	<b>Fiscal Year-End</b>				
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Contractually required contribution (actuarially determined)	\$ 313,767	\$ 307,059	\$ 262,942	\$ 301,229	\$ 284,446
Contributions in relation to the actuarially determined contributions	<u>(883,562)</u>	<u>(298,327)</u>	<u>(267,180)</u>	<u>(301,229)</u>	<u>(284,446)</u>
Contribution deficiency (excess)	<u>\$ (569,795)</u>	<u>\$ 8,732</u>	<u>\$ (4,238)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,338,200	\$ 3,512,806	\$ 3,315,324	\$ 2,891,320	\$ 2,950,176
Contributions as a percentage of covered payroll	9.40 %	8.74 %	7.93 %	10.42 %	9.64 %

## Supplementary Information

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
COMPARISON OF BUDGET TO ACTUAL  
JUNE 30, 2024**

	<b>Budgeted Amounts Original</b>	<b>Budgeted Amounts Final</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>Revenues:</b>				
Service charges	\$ 9,389,789	\$ 9,389,789	\$ 9,635,991	\$ 246,202
Recreation events and programs	1,262,052	1,262,052	1,412,546	150,494
Property taxes/CFD 94-1	7,002,900	7,002,900	8,011,635	1,008,735
Investment income (loss)	45,000	45,000	285,690	240,690
Grants	1,303,797	1,303,797	1,537,957	234,160
Miscellaneous	<u>439,700</u>	<u>439,700</u>	<u>462,324</u>	<u>22,624</u>
	<u>\$ 19,443,238</u>	<u>\$ 19,443,238</u>	<u>\$ 21,346,143</u>	<u>\$ 1,902,905</u>
<b>Expenses:</b>				
Direct operating expenses	13,269,245	13,269,245	13,269,891	646
Administration and general	100,000	100,000	-	(100,000)
Depreciation	3,748,716	3,748,716	3,510,737	(237,979)
Interest expense	38,868	38,868	38,867	(1)
Other nonoperating expenses	<u>-</u>	<u>-</u>	<u>62,048</u>	<u>62,048</u>
	<u>17,156,829</u>	<u>17,156,829</u>	<u>16,881,543</u>	<u>(275,286)</u>
Total Positive(Negative) Variance	<u>\$ 2,286,409</u>	<u>\$ 2,286,409</u>	<u>\$ 4,464,600</u>	<u>\$ 2,178,191</u>

## Other Reports



**INDEPENDENT AUDITOR'S 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***

To the Board of Directors  
North Tahoe Public Utility District  
Tahoe Vista, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of the North Tahoe Public Utility District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered North Tahoe Public Utility District'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 combination of deficiencies, in internal control, such that there is 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. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District'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*.



**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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MUN CPAs, LLP

Sacramento, California  
December 5, 2024



December 5, 2024

To the Board of Directors  
North Tahoe Public Utility District

We have audited the financial statements of the business-type activities of North Tahoe Public Utility District (the "District") for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 30, 2024. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Matters

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by North Tahoe Public Utility District are described in Note 1 to the financial statements. During 2024 the District adopted Governmental Accounting Standards Board (GASB) Standards No. 99 and 100. We noted no transactions entered into by North Tahoe Public Utility District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Management's estimate of the District's net pension liability/asset is based on actuarial valuations. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of depreciation is based on the asset's useful life. We evaluated the key factors and assumptions used to develop the depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the District's proportionate share of the net pension liabilities in Note 6 to the financial statements and in the Required Supplementary Information. The disclosures are based on actuarial studies and assumptions about future events that could vary significantly from actual amounts incurred in the future.

The financial statement disclosures are neutral, consistent, and clear.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements identified during our audit procedures.

##### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 5, 2024.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as North Tahoe Public Utility District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to management’s discussion and analysis (MD&A), the schedule of the District’s proportionate share of the net pension liability, and the schedule of contributions to the cost-sharing defined benefit pension, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the information and use of North Tahoe Public Utility District and management of North Tahoe Public Utility District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

MUN CPAs, LLP

MUN CPAs, LLP

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**NORTH TAHOE PUBLIC UTILITY DISTRICT**

MANAGEMENT REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2024

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MUN CPAs, LLP  
1760 Creekside Oaks Drive, Suite 160  
Sacramento, California 95833



## MANAGEMENT REPORT

To Board of Directors  
North Tahoe Public Utility District  
Tahoe Vista, California

In planning and performing our audit of the financial statements of the business-type activities of North Tahoe Public Utility District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered North Tahoe Public Utility District'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of North Tahoe Public Utility District'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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, Board of Directors, and others within the North Tahoe Public Utility District, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

*MUN CPAs, LLP*

MUN CPAs, LLP  
Sacramento, California  
December 5, 2024

**NORTH TAHOE PUBLIC UTILITY DISTRICT  
SUMMARY OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2024**

**No current or prior year findings or recommendations**

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**NORTH TAHOE PUBLIC UTILITY DISTRICT  
INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED UPON PROCEDURES  
APPROPRIATIONS LIMIT CALCULATION  
AS OF JUNE 30, 2024**



## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of  
North Tahoe Public Utility District  
Tahoe Vista, California

We have performed the procedures enumerated below, which were agreed to by North Tahoe Public Utility District (the District) and the League of California Cities (as presented in the publication entitled Agreed-upon Procedures Applied to Appropriations Limitation Prescribed by Article XIII-B of the California Constitution), on the accompanying Appropriations Limit Calculation of North Tahoe Public Utility District, for the year ended June 30, 2024. North Tahoe Public Utility District management is responsible for the Appropriations Limit Calculation. The sufficiency of these procedures is solely the responsibility of the District and the League of California Cities. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

1. We obtained the completed internal calculations and compared the limit and annual adjustment factors included in those calculations to the limit and annual adjustment factors that were adopted by a resolution of the Board of Directors. We compared the population and inflation options included in the aforementioned calculations to those that were selected by a recorded vote of the Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. For the Appropriations Limit Calculation, we added the June 30, 2023 appropriations limit to the annual permitted adjustments and agreed the resulting amount to the June 30, 2024 appropriations limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared current year information presented in the appropriations limit calculation to supporting worksheets.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the June 30, 2024 appropriations limit presented in the appropriations limit calculation to the prior year appropriations limit adopted by the Board of Directors during the prior year.

Finding: No exceptions were noted as a result of our procedures.



This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Appropriations Limit Calculation. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. The purpose of the report is to assist the District in meeting the requirements of Section 1.5 of Article XIIB of the California Constitution, and the report is not suitable for any other purpose.

MUN CPAs, LLP

Sacramento, California  
September 26, 2024

**NORTH TAHOE PUBLIC UTILITY DISTRICT**  
**APPROPRIATIONS LIMIT CALCULATION**  
**JUNE 30, 2024**

	Amount	Source
A. Prior year's appropriations limit (at June 30, 2023)	\$ <u>14,297,404</u>	
B. Adjustment factors for the current fiscal year:		
1. Population change	0.9921	* State Finance
2. Inflation (per capita personal income change)	<u>1.0444</u>	* State Finance
Total adjustment	<u>1.0361</u>	* B1 x B2
C. Annual adjustment	516,840	A x (B -1)
D. Other Adjustments		
Lost responsibility (-)	-	
Transfer to fees (-)	-	
Assumed responsibility (+)	<u>-</u>	
	<u>-</u>	
E. Total adjustments	<u>516,840</u>	C + D
F. Current year's appropriations limit (at June 30, 2024)	\$ <u><u>14,814,244</u></u>	A + E

\* Rounded to the nearest ten thousandth

# Summary of Audit Results

North Tahoe Public Utility District  
Year Ended June 30, 2024

**Presenter: Bradley J. Bartells, CPA,  
Partner**

## Audit Process



- **Audit Responsibilities:**
  - **Financial Statements - Responsibility of Management**
  - **MUN – Form Independent Opinion on Financial Statements**

## Audit Process: Interim Phase – July & August 2024



- **Planning & Risk Assessment**
  - **Analytical review, board minute review, management inquiry**
- **Documentation of Processes and Tests of Controls**
  - **Receipts/Revenue**
  - **Disbursements/Expenses**
  - **HR and Payroll**
  - **Financial Reporting**
- **Review of Prior Year Findings**

## Audit Process: Year End Phase – Week of September 23, 2024



- **Testing of Year-End Balances and Activity**
  - **Cut off testing**
  - **Analytical review procedures**
  - **Confirmation of balances**
  - **Detail transaction testing**
  - **Footnote testing**

## Audit Process: Completion Phase – October & November 2024



- **File review & completion**
- **Financial statement preparation**
- **Subsequent events evaluations**

## Audit Process



- **Year-End Areas of Focus:**
  - **Cash & cash equivalents**
  - **Investments**
  - **Valuation of receivables**
  - **Capital assets**
  - **Net pension liability/asset**



## Audit Process



- **Year-End Areas of Focus – Con't:**
  - **Accruals and expense timing**
  - **Long-term debt**
  - **Net position presentation**
  - **Revenue recognition & classification**
  - **Disclosures and footnotes**

## Audit Results



- **Reporting Results of the Audit**
  - **Audit Opinion - Independent Auditor's Report**
  - **Government Auditing Standards Report**
  - **Communication with Those Charged with Governance**
  - **Management Letter**

## Audit Results



- **Independent Auditor's Report**
  - **Types of Opinions - Unmodified, Qualified, Adverse or Disclaimer**
  - **North Tahoe Public Utility District - Unmodified Opinion**
    - **"Clean" Audit Opinion**

## Audit Results



- **Government Auditing Standards Report**
  - **No Material Weaknesses**
  - **No Compliance Exceptions**
  - **No Significant Deficiencies**

## Audit Results



- **Communication with Those Charged with Governance - SAS 134**
  - **Accounting Policies**
    - **Adoption of GASB 99 & 100**
  - **Significant Estimates:**
    - **Depreciation**
    - **Net pension liability/asset**

## Audit Results



- **Communication with Those Charged with Governance- SAS 134 (con't)**
  - **No difficulties with management**
  - **No audit adjustments**
  - **No uncorrected misstatements**

## Audit Results



- **Management Letter:**
- **No Material Weaknesses**
- **No Significant Deficiencies**
- **No Control Deficiencies**
- **No Prior Year Findings**

## Conclusion Summary



- **Unmodified Opinion**
- **No Audit Adjustments**
- **No Material Weaknesses**
- **No Significant Deficiencies**
- **No Compliance Exceptions**



## Other Items



- **North Tahoe Building Corp Form 990 preparation in process**
- **State Controller Report (Financial Transactions Report) submission in process**

# THANK YOU.

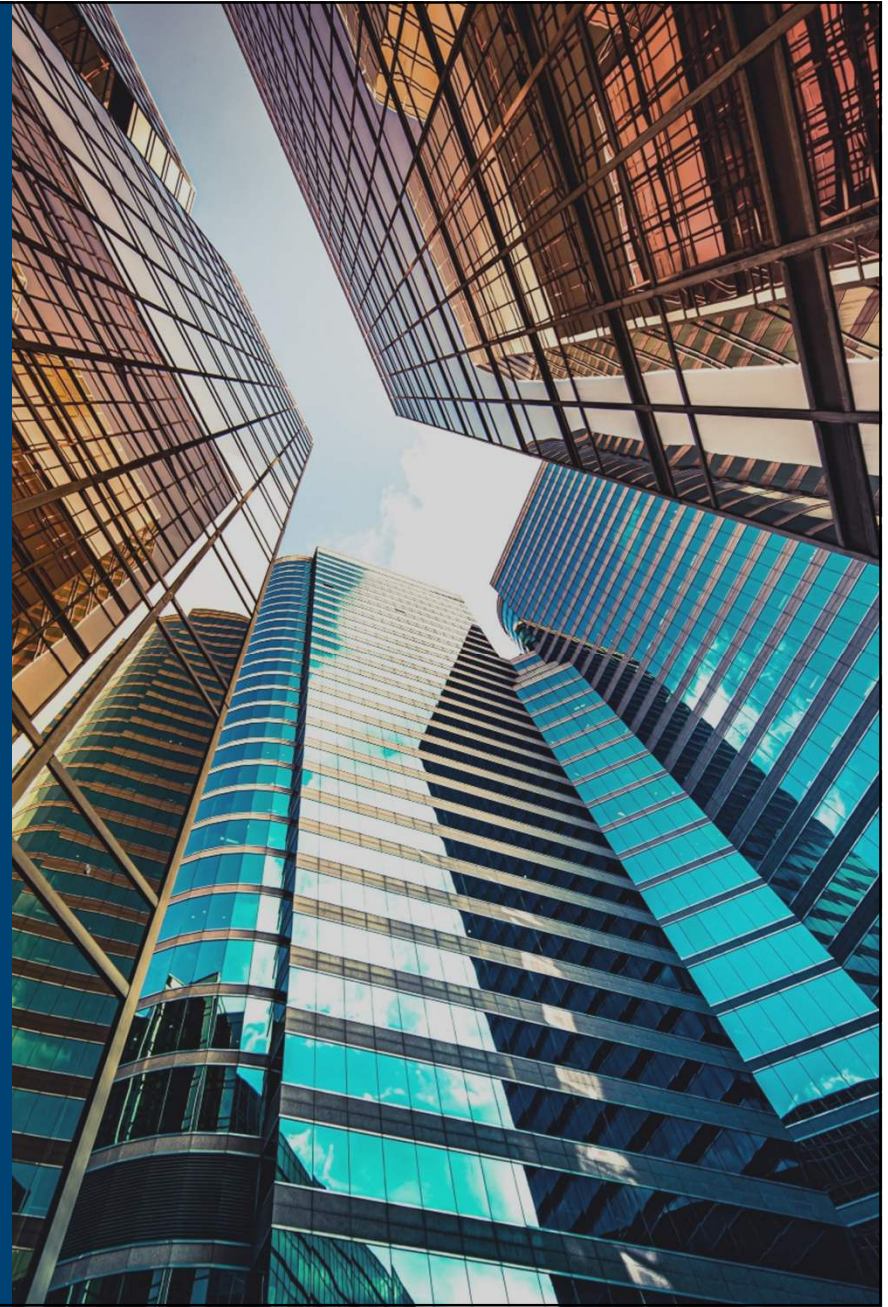
**Bradley Bartells, CPA**  
Partner



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916-929-0540

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	Monthly Required	Periodic Required	Topics Requiring Recommendation to Board Required	CFO Topics for Feedback & Direction	Memos
December	<p>Review Financial Statements – Recommendation to Full Board</p> <p>Review Accounts Paid &amp; Payable – Recommendation to Full Board</p>	<p>Review and Discuss Accepting the Annual Independent Fiscal Audit Report for Fiscal Year Conducted by MUN CPAs – Recommendation to Full Board</p> <p>Annual Unfunded Pension Liability - December Recommendation to Full Board</p> <p>Annual Pension Liability Prefunding - December Recommendation to Full Board</p>			
January	<p>Review Financial Statements – Recommendation to Full Board</p> <p>Review Accounts Paid &amp; Payable – Recommendation to Full Board</p>	<p>Review and Discuss Adopting Resolution Establishing an Investment Policy for current year – Recommendation to Full Board</p> <p>Review and Compare December FY23 Audited Financial Statements to August Draft Statements</p>			
February	<p>Review Financial Statements – Recommendation to Full Board</p> <p>Review Accounts Paid &amp; Payable – Recommendation to Full Board</p>	<p>Review and Discuss Accepting the Annual Independent Audit Report of the Money Purchase Pension Plan for Calendar Year Conducted by MUN CPAs – Recommendation to Full Board</p>	<p>Consider and Discuss the Approved Adjustment to Water and Sewer Rates Effective July 1, current year – Recommendation to Full Board</p>	<p>Review Debt Issuance Policy Progress</p>	<p>Quarterly Review Memo</p>
March	<p>Review Financial Statements – Recommendation to Full Board</p> <p>Review Accounts Paid &amp; Payable – Recommendation to Full Board</p>				