



**TOWN OF TRUCKEE,
CALIFORNIA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
JUNE 30, 2024**



**PREPARED BY
DEPARTMENT OF ADMINISTRATIVE SERVICES, FINANCE DIVISION**

**TOWN OF TRUCKEE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024**

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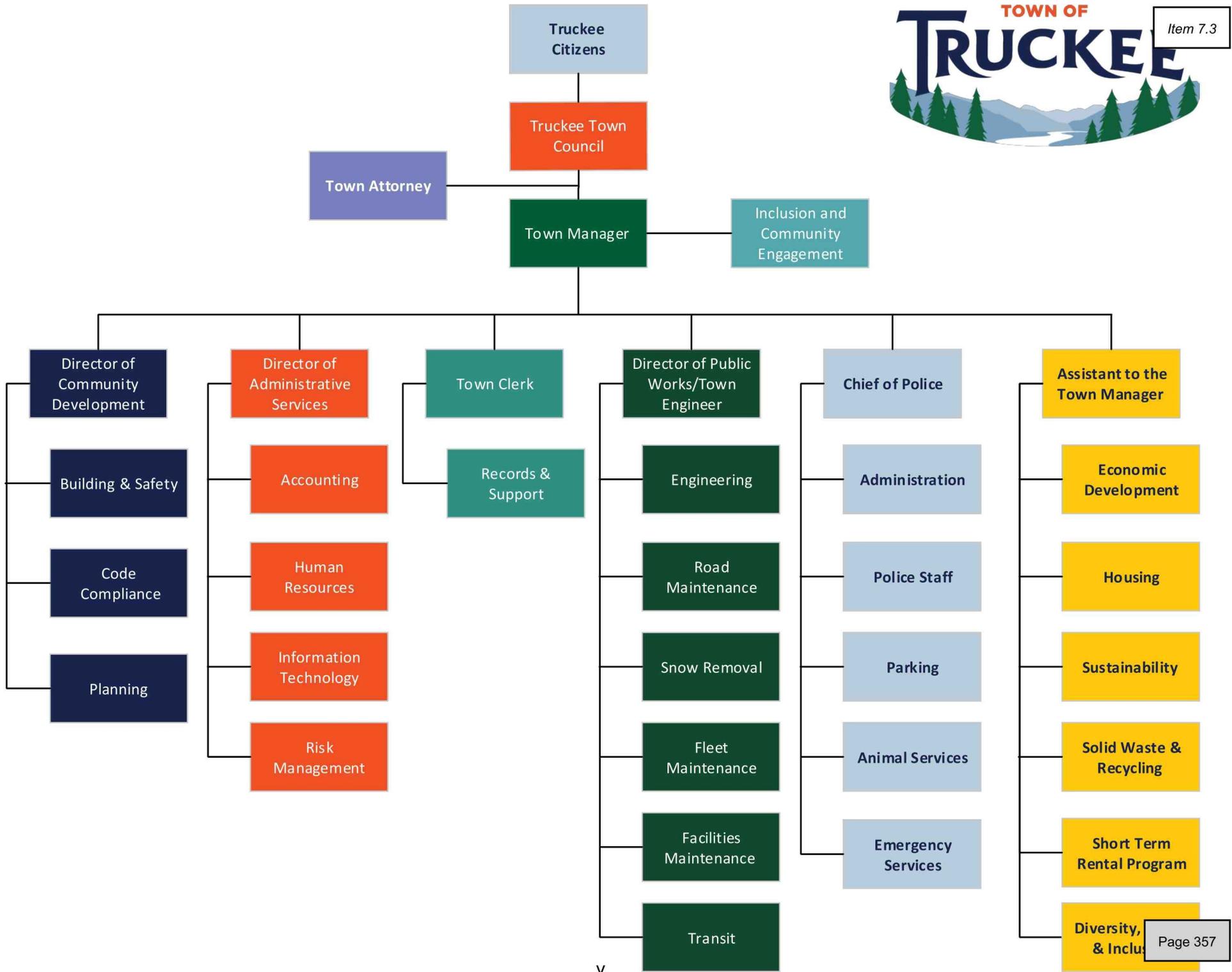
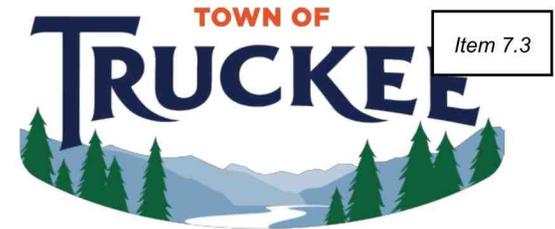
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INTRODUCTORY SECTION

TOWN OF TRUCKEE
ELECTED OFFICIALS
JUNE 30, 2024

ELECTED OFFICIALS

| | |
|----------------|--------------------|
| Mayor | Jan Zabriskie |
| Vice Mayor | Anna Klovstad |
| Council Member | Dave Polivy |
| Council Member | Courtney Henderson |
| Council Member | Lindsay Romack |



v

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Town Council of
the Town of Truckee
Truckee, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Truckee (the "Town") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town'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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Truckee, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Town'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 Town'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, budgetary comparison information, pension related schedules, and other post-employment benefit (OPEB) related schedules 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 Town's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and budgetary comparison schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2025, on our consideration of the Town of Truckee'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Truckee's internal control over financial reporting and compliance.

MUN CPAs, LLP

Sacramento, California
May 2, 2025

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

This section of the Town of Truckee Financial Report presents a narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the Town's basic financial statements and notes to the financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

The Town's government-wide total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (net position) at the close of the fiscal year by \$335,547,013. Of this amount, \$85,723,928 is in unrestricted net position, which is available to meet the Town's ongoing commitments to citizens and creditors.

The Town's governmental activities ended the year with total net position of \$328,801,687. Of this balance, \$79,302,021 is unrestricted and available for spending at the Town's discretion.

The Town's General Fund ended the year with a fund balance of \$65,864,229. The non-spendable balance of \$324,125 is for the Town's inventory on-hand and prepaid assets at year-end. The restricted balance is 231,390 represents the Town's share of self-insured retention for insurance. The assigned balance of \$27,477,871 is designated for various contingencies, economic development, housing projects, and future capital needs. \$37,830,843 is unassigned and available for spending at the Town Council's discretion

The major capital projects completed in fiscal 2024 included reconstruction of the Donner Creek crossing on Coldstream Road, an extension to Church Street, paving and drainage work on Town roads, repaving on Town trails, and a conversion of the Town's diesel tanks to biodiesel. Additions to infrastructure projects still in construction at year end in fiscal 2024 were related to construction of Phase 4 of the Truckee River Legacy Trail, construction of a new transit station, streetscaping on West River Street, and a road paving project.

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. These statements include all activities of the Town of Truckee using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. The Statement of Net Position and Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements for governmental funds tell how these services are financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

The basic financial statements include two kinds of statements which present different views of the Town.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Town using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All current year revenues and expenses are taken into account regardless of when the related cash is received.

The Statement of Net Position presents information on all the Town's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as one indicator of whether the Town's financial position is improving or deteriorating, respectively.

The Statement of Activities presents information showing how the Town's net position changed in the most recent fiscal year. All changes of net position are reported as soon as the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported on this statement for some items that will result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

The government-wide financial statements of the Town are divided as follows.

Governmental Activities: Most of the Town's basic services are included here including general government, public safety, public works (snow removal, streets and roads), community development, and facilities. This is also where many of the Town's auxiliary services are accounted for such as housing, sustainability, economic vitality, and communications. These services are primarily financed by property taxes, sales and use taxes, transient occupancy tax, federal and state grants, and development fees.

Business-Type Activities: The Town charges fees to customers to cover the costs of services provided. The Town's parking, solid waste removal and recycling service, building and safety, and transit services are included in business-type activities.

The government-wide financial statements can be found on pages 18 and 19 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Since the resources of these funds are not available to support the Town's own programs, they are not reflected in the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant funds, not the Town as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State Law or by bond covenants. Management establishes other funds to control and manage money for particular purposes or to show the Town is meeting legal responsibilities for using certain taxes, grants, or other money. All the funds of the Town can be classified into three categories: governmental funds, proprietary funds, or fiduciary funds.

Governmental funds: Governmental funds are essentially used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information is useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide reconciliation between governmental funds to governmental activities in the government-wide statements. These reconciliation explain the relationship (or differences) between fund statements and the government-wide statements. The basic governmental fund financial statements can be found on pages 20-27.

Proprietary Funds: The Town utilizes enterprise funds (one type of proprietary fund) to account for those activities that are supported primarily by user charges to external users, specifically parking, transit services, solid waste removal and recycling service and building and safety. Proprietary funds provide the same type of information as the government-wide financial statement business-type activities, only in more detail. The proprietary fund financial statements provide separate information for the Parking, Solid Waste, Building and Safety, and Transit divisions. The basic proprietary fund financial statements can be found on pages 28-35.

Fiduciary Funds: The Town utilizes fiduciary funds to account for resources held for the benefit of parties outside the Town. The Statement of Fiduciary Net Position is on page 36 and includes the assets and liabilities of the Truckee Redevelopment Successor Agency formed in accordance with State law requiring the dissolution of redevelopment agencies. The Statement of Revenues, Expenses and Changes in Net Position for the fiduciary fund is on page 36-37.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Notes to the Financial Statements: The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund statements. The notes to the financial statements can be found on pages 38-78.

Required Supplementary Information: In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information including a budgetary comparison for the General Fund and other major funds as presented in the government fund financial statements. Information regarding the Town's pension liabilities and information regarding the Town's progress in funding its obligation to provide OPEB to its employees is included. The required supplementary information can be found on 79-118.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the Town's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for its governmental and business type activities. As noted earlier, a government's net asset position may serve over time as a useful indicator of its financial position. The Summary of Net Position as of June 30, 2024 and 2023 follows:

**Statement of Net Position
As of June 30, 2024 and 2023
(in thousands)**

| | Governmental Activities | | | Business-Type Activities | | | Total Government | | |
|---------------------------------------|-------------------------|-------------------|------------------|--------------------------|-----------------|-----------------|------------------|-------------------|------------------|
| | 2024 | 2023 | Net Change | 2024 | 2023 | Net Change | 2024 | 2023 | Net Change |
| ASSETS | | | | | | | | | |
| Current and other assets | \$141,010 | \$ 132,782 | \$ 8,228 | \$ 7,991 | \$ 7,843 | \$ 148 | \$149,001 | \$ 140,625 | \$ 8,376 |
| Capital assets | <u>222,252</u> | <u>209,868</u> | <u>12,384</u> | <u>328</u> | <u>379</u> | <u>(51)</u> | <u>222,580</u> | <u>210,247</u> | <u>12,333</u> |
| Total Assets | <u>363,262</u> | <u>342,650</u> | <u>20,612</u> | <u>8,319</u> | <u>8,222</u> | <u>97</u> | <u>371,581</u> | <u>350,872</u> | <u>20,709</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | | | |
| | <u>10,134</u> | <u>10,137</u> | <u>(3)</u> | <u>587</u> | <u>582</u> | <u>5</u> | <u>10,721</u> | <u>10,719</u> | <u>2</u> |
| LIABILITIES | | | | | | | | | |
| Current liabilities | 9,093 | 12,871 | (3,778) | 601 | 242 | 359 | 9,694 | 13,113 | (3,419) |
| Net pension liability | 19,664 | 17,771 | 1,893 | 1,167 | 1,017 | 150 | 20,831 | 18,788 | 2,043 |
| Net OPEB liability | 796 | 1,098 | (302) | 80 | 115 | (35) | 876 | 1,213 | (337) |
| Long-term liabilities | <u>13,495</u> | <u>13,733</u> | <u>(238)</u> | <u>140</u> | <u>118</u> | <u>22</u> | <u>13,635</u> | <u>13,851</u> | <u>(216)</u> |
| Total Liabilities | <u>43,048</u> | <u>45,473</u> | <u>(2,425)</u> | <u>1,988</u> | <u>1,492</u> | <u>496</u> | <u>45,036</u> | <u>46,965</u> | <u>(1,929)</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| | <u>1,497</u> | <u>1,758</u> | <u>(261)</u> | <u>171</u> | <u>173</u> | <u>(2)</u> | <u>1,668</u> | <u>1,931</u> | <u>(263)</u> |
| NET POSITION | | | | | | | | | |
| Net investment in capital assets | 211,106 | 198,542 | 12,564 | 323 | 379 | (56) | 211,429 | 198,921 | 12,508 |
| Restricted | 38,394 | 34,057 | 4,337 | - | - | - | 38,394 | 34,057 | 4,337 |
| Unrestricted | <u>79,302</u> | <u>72,957</u> | <u>6,345</u> | <u>6,422</u> | <u>6,760</u> | <u>(338)</u> | <u>85,724</u> | <u>79,717</u> | <u>6,007</u> |
| Total Net Position | <u>\$328,802</u> | <u>\$ 305,556</u> | <u>\$ 23,246</u> | <u>\$ 6,745</u> | <u>\$ 7,139</u> | <u>\$ (394)</u> | <u>\$335,547</u> | <u>\$ 312,695</u> | <u>\$ 22,852</u> |

As of June 30, 2024, the Town's government-wide total assets and deferred outflows exceeded liabilities and deferred inflows (net position) by \$335,547,013. Governmental activities finished the year with a positive net position balance of \$328,801,687. The Town's net pension liability increased from \$17,770,936 to \$19,663,656. Overall, government wide net position increased from \$305,556,583 to \$328,801,687 due to increases in current and other assets. Business-type activities finished the year with a positive balance of \$6,745,326. Net position as noted earlier may serve as a useful indicator of the Town's financial position if you look at the changes over time.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Of the total government-wide net position, \$211,105,993 is the Town's net investment in capital assets (e.g. land, buildings and improvements, and the road network) less any related debt used to acquire those assets that is still outstanding. Two significant projects completed in fiscal year ended June 30, 2024, included an extension to Church Street and the completion of the Truckee River Legacy Trail Phase 4

The Town's long-term liabilities include debt incurred to acquire the Town's administrative facility, to pay for the land purchased for the Town's public service center, to pay for the construction of additional garage and work space at the Town's public service center, compensated absences payable and SBITA's. Other long-term liabilities presented on the face of the statements include the net pension liability related to the Town's pension plans and the net other post-employment benefits (OPEB) liability (i.e., retiree health benefits).

The proceeds of the debt issued for the administrative facility and land for the public service facility are utilized to provide services to citizens and are not available for future spending. The repayment of the debt on the general fund assets must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

See Note 7 starting on page 59 for debt schedules and Notes 8 and 9 starting on page 62 for further discussion of the net pension liability and net OPEB liability.

Restricted net position amounts to \$38,393,673 or 11.7% of the total governmental net position. Restricted net position represents those resources that are subject to external restrictions on how they may be used. These restrictions are established by bond covenants or restrictions on the use of funds by state or federal regulations

Unrestricted net position represents those resources which may be used to meet the Town's ongoing commitments to the citizens and creditors. Government-wide unrestricted net position is \$79,302,021 or 24.0% of the total net position. Governmental activities account for 92.8% of the total unrestricted net position. Business-type activities account for \$6,421,907 or 7.2% of the total. The Town can use unrestricted net position of the parking, solid waste, and building & safety to finance their continuing operations.

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$23,245,104 from the prior fiscal year for an ending balance of \$328,801,687. Revenues increased 18.8% and expenses increased 19% from prior year.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

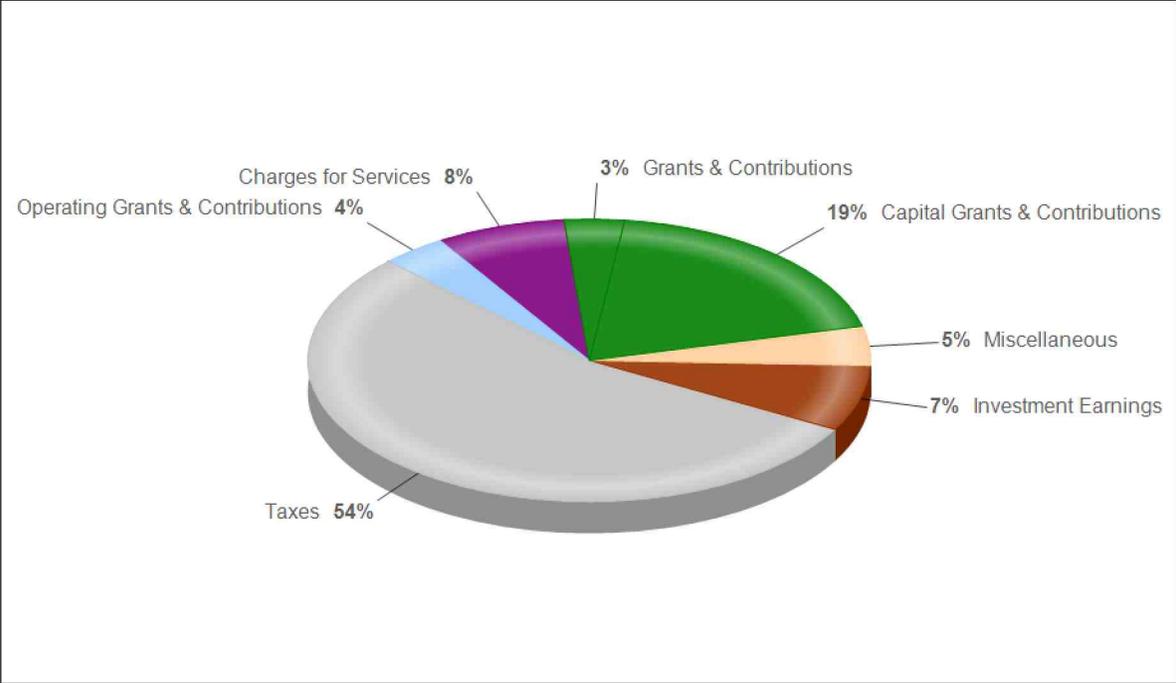
**TABLE 2
GOVERNMENTAL ACTIVITIES CHANGES IN NET POSITION AS OF JUNE 30,**

| | <u>2024</u> | <u>2023</u> |
|---|-----------------------|-----------------------|
| <u>REVENUES</u> | | |
| Charges for services | \$ 5,349,325 | \$ 5,449,064 |
| Operating grants and contributions | 2,662,227 | 5,425,857 |
| Capital grants and contributions | 13,534,353 | 6,378,056 |
| Property taxes | 16,634,864 | 15,782,871 |
| Sales taxes | 12,382,002 | 12,152,718 |
| Transient occupancy tax | 7,264,926 | 8,149,794 |
| Other taxes | 2,233,703 | 1,923,915 |
| Grants and contributions - unrestricted | 2,467,464 | 2,271,609 |
| Investment earnings | 5,254,361 | 1,764,227 |
| Miscellaneous | <u>3,163,058</u> | <u>426,678</u> |
| Total Revenue | <u>70,946,283</u> | <u>59,724,789</u> |
| <u>EXPENSES</u> | | |
| General government | 12,816,784 | 11,455,506 |
| Public safety | 13,199,090 | 8,956,144 |
| Facilities | 2,343,086 | 1,842,780 |
| Community development | 1,737,821 | 1,642,702 |
| Public works | 18,294,715 | 16,535,677 |
| Interest and fiscal charges | <u>327,986</u> | <u>350,421</u> |
| Total Expenses | <u>48,719,482</u> | <u>40,783,230</u> |
| Increase in net position before transfers | 22,226,801 | 18,941,559 |
| Transfers | <u>1,018,303</u> | <u>995,300</u> |
| Change in net position | <u>23,245,104</u> | <u>19,936,859</u> |
| Net position - beginning | <u>305,556,583</u> | <u>285,619,724</u> |
| Net position - ending | <u>\$ 328,801,687</u> | <u>\$ 305,556,583</u> |

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Revenues

Sources of Revenues
Governmental Activities



Taxes, which include property, sales, and other taxes account for \$38,515,495 or 54% of the Town's governmental activity revenue. Without capital grants, taxes would be 67% of the Town's governmental activities revenue.

Total tax revenues increased by \$506,197 or 1.01%, during the fiscal year. The growth was primarily driven by a 0.05% increase in property tax revenues. Property taxes, the Town's largest revenue source, totaled 16,634,864 in fiscal year 2024, compared to 15,782,871 in fiscal year 2023.

The increase in property tax revenue is largely attributable to resales in the Truckee housing market, which contributed to an upward adjustment of the Town's base assessed property values. Despite limited inventory, the continued demand for housing has sustained elevated sales prices. Notably, the average home sale price in Truckee reached \$1 million for the first time in the Town's history during fiscal year 2024.

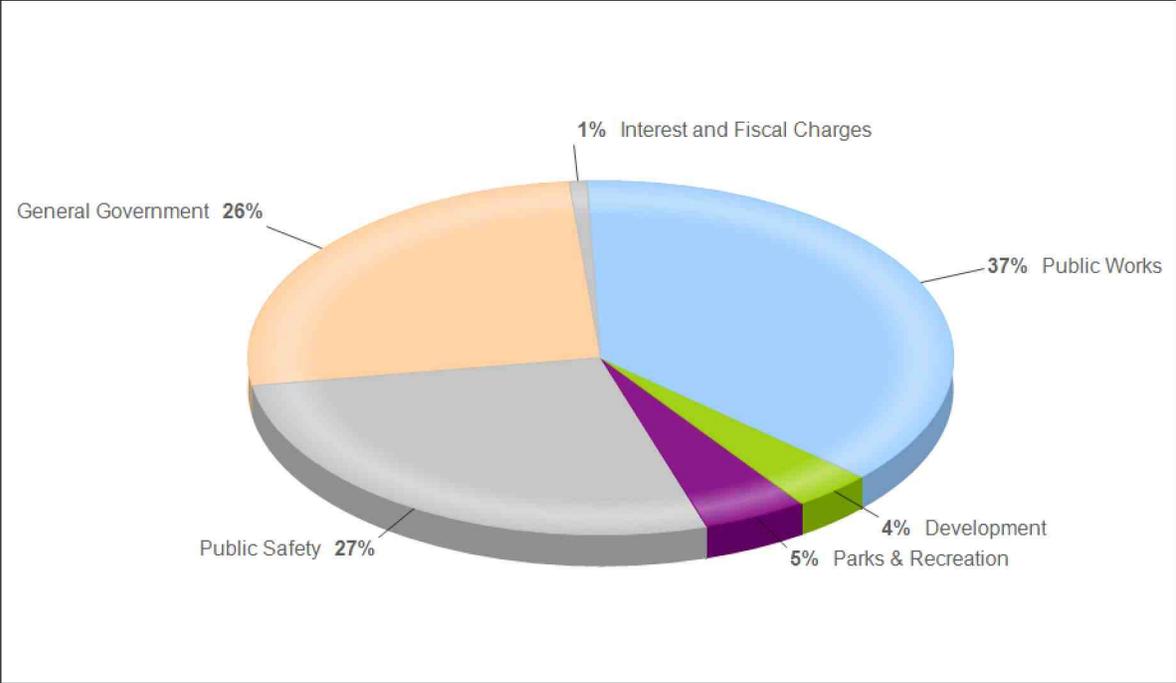
Transient occupancy tax (TOT) revenues decreased from 8,149,794 to 7,264,926 in 2024. Sales tax receipts had a conservative increase from 12,382,002 to 12,152,718, a 0.02% increase for the fiscal year.

Investment earnings, increased from \$1,764,227 to \$5,254,361. The Town has nearly \$75 million of latent cash in the Local Agency Investment Fund (LAIF). LAIF's monthly yield increased to over 4.0% in fiscal year 2024 from around 2.0% in fiscal year 2023.

TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Expenses

Functional Expenses
Governmental Activities



As identified in the functional expenses chart, 27% or \$13,199,090 of the Town's expenses were for public safety. 26% or \$12,816,784 were for general government expenses. The remaining functional expenses included 37% or \$18,294,715 for public works, 4% or \$1,737,821 in community development, 5% or \$2,343,086 in facilities, and 1% or \$327,986 in interest and fiscal charges. The Town's total governmental expenses increased \$7,936,252 or 19% from the prior fiscal year. This increase related to increases in capital spending.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

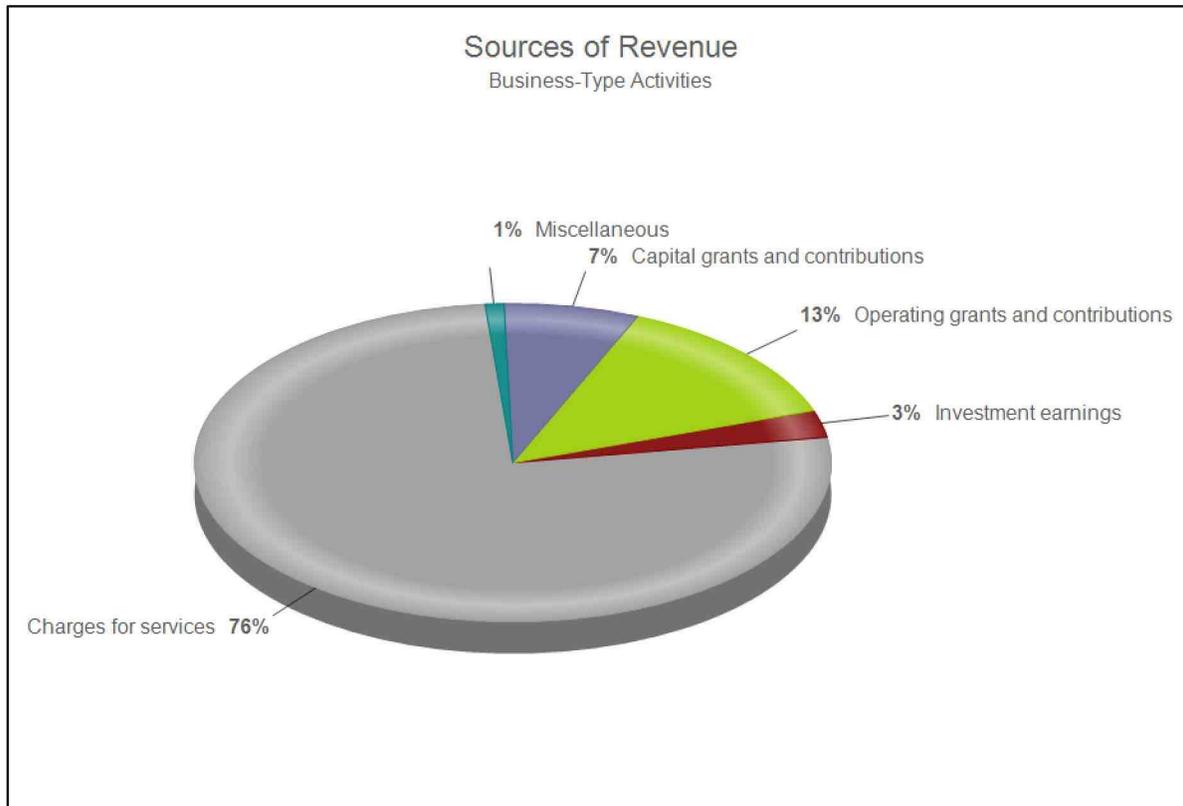
Business-Type Activities. During the current fiscal year, business-type activities decreased the Town's net position by \$393,985.

**TABLE 3
BUSINESS-TYPE ACTIVITIES CHANGES IN NET POSITION AS OF JUNE 30,**

| | 2024 | 2023 |
|---|--------------|--------------|
| <u>REVENUES</u> | | |
| Charges for services | \$ 8,879,316 | \$ 8,195,919 |
| Investment earnings | 312,179 | 97,247 |
| Operating grants and contributions | 1,552,095 | 2,252,258 |
| Capital grants and contributions | 750,000 | 279,000 |
| Miscellaneous | 14,656 | 33,912 |
| Total Revenue | 11,508,246 | 10,858,336 |
| <u>EXPENSES</u> | | |
| Parking | 722,927 | 483,011 |
| Solid waste | 6,235,352 | 5,364,871 |
| Building | 2,075,738 | 1,794,815 |
| Transit | 1,849,911 | 1,773,086 |
| Total Expenses | 10,883,928 | 9,415,783 |
| Change in net position before transfers | 624,318 | 1,442,553 |
| Transfers | (1,018,303) | (995,300) |
| Change in net position | (393,985) | 447,253 |
| Net position - beginning | 7,139,311 | 6,692,058 |
| Net position - ending | \$ 6,745,326 | \$ 7,139,311 |

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Revenues



Charges for services increased \$683,397 or 8.34% primarily due to a rate adjustment in solid waste services. In accordance with the Town's franchise agreement with the Tahoe Truckee Sierra Disposal (TTSD), the Town's solid waste collection contractor implemented a 9.9% rate increase. This adjustment led to a corresponding increase in the charges assessed to Town properties for garbage collection services as the Town collects the amount needed to fund the franchise agreement via user charges.

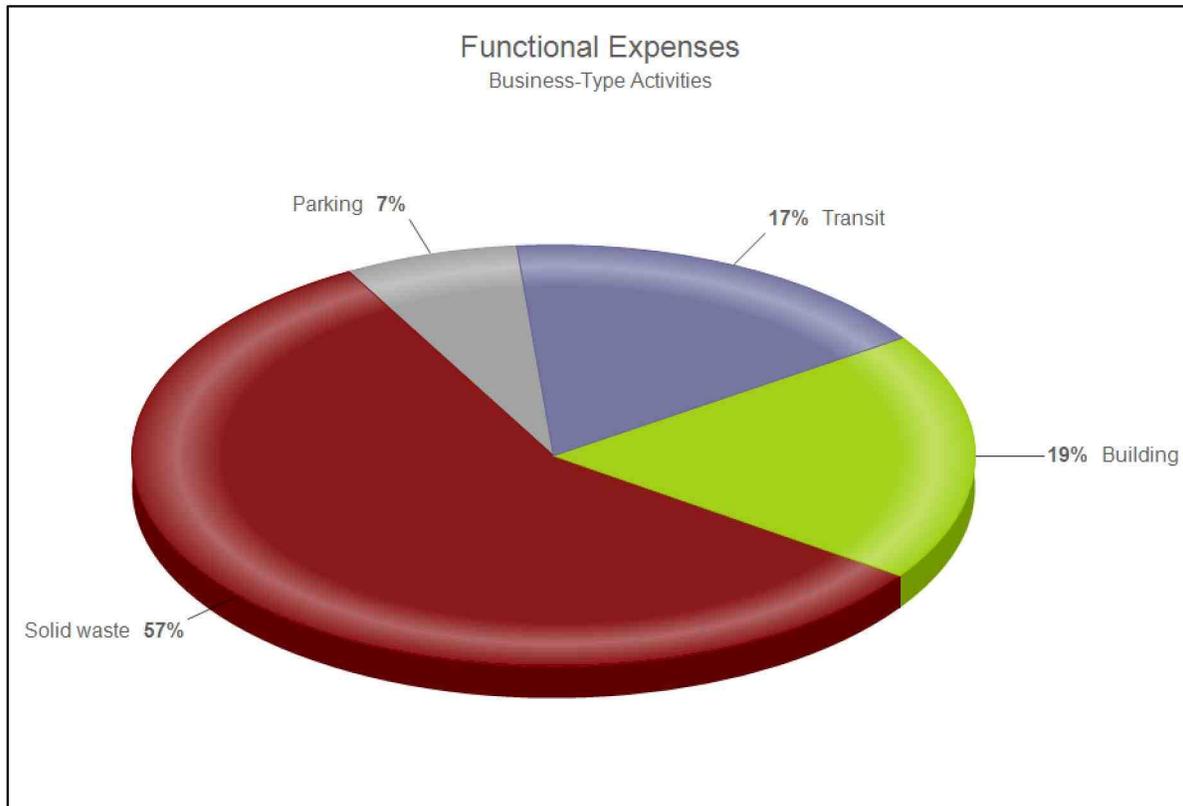
The rate adjustment is based on a cost-based methodology specified in the franchise agreement, which involves a detailed review of actual operational costs and service statistics by customer classification. Key factors in this analysis include staffing levels, route configurations and hours, customer counts, and service levels. The methodology also projects expected contractor compensation and gross receipts for the upcoming rate period. Additionally, the rate includes a direct pass-through of tipping fees for collected materials, which are tied to the published fee schedule at the Eastern Regional Landfill.

Operating grants and contributions increased \$700,163 or 31% due to the increase in the allocation of Local Transportation Fund (LTF) administered by California Transportation Development Act (TDA). The Town did not apply for LTF from the TDA fund in prior fiscal year due to the excess allocation received in fiscal year 2020.

Operating grants and contributions decreased \$700,163 or 31%. The transit division expended \$593,703 worth of grants in fiscal year 2023 that were not available in fiscal year 2024. This represented the bulk of the difference.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Expenses



In fiscal year 2023/24, all four of the Town's business-type divisions experienced notable increases in operating expenses, largely driven by staffing changes and cost adjustments.

Following a market compensation study completed in fiscal year 2022/23, the Town entered into negotiations with its three employee bargaining units. The resulting agreements, implemented in fiscal year 2023/24, included an 8.15% cost-of-living adjustment for employees expensed to the business-type divisions to bring employee pay in-line with the results of the compensation study data.

Parking expenses rose by \$239,916 or 50%, primarily due to the division being fully staffed throughout fiscal year 2023/24. The prior year had seen notable wage savings due to a position vacancy. The implementation of the new compensation structure further contributed to this increase.

Solid waste expenses increased \$870,481 or 16%. This was driven by two main factors: the implementation of the Town-wide staffing cost adjustments and a 9.9% rate increase by the Town's solid waste contractor, Tahoe Truckee Sierra Disposal (TTSD). The rate adjustment—outlined in the Town's franchise agreement—is based on a cost-based methodology that considers actual operating costs, service metrics (such as staffing, routes, and service levels), and includes a direct pass-through of tipping fees tied to the Eastern Regional Landfill's published schedule.

Building Division expenses also rose by \$280,923 or 16%. Similar to the Parking Division, this increase reflects the transition from vacancies in fiscal year 2022/23 to a fully staffed department in 2023/24, along with the implementation of the updated compensation agreements.

Transit expenses increased 4%, or \$76,825, with the primary driver being the implementation of the Town's updated labor agreements and associated staffing cost increases.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The ending fund balance for all governmental funds is \$108,644,824. Only the Capital Projects Fund ended the year with a negative fund balance. This primarily related to the timing of collection for grant funds and contributions for the Town's capital projects.

Of the total fund balance, \$37,130,151 or 34.18% is unassigned, which is available for spending at the Town's discretion.

The general fund is the chief operating fund of the Town. As of June 30, 2024 the total fund balance of the general fund was \$65,864,229 with \$324,125 in non-spendable, \$231,390 restricted for self-insurance, and \$27,477,871 in assigned funds for contingencies, long-term road maintenance, economic development and housing, facilities construction, and capital projects. The \$37,830,843 in unassigned fund balance is available for other Council priorities.

Total governmental revenues, including other financing sources/uses, exceeded expenditures by \$12,420,436. The 11% increase in capital grants and contributions drove this surplus.

Proprietary Funds: Each of the Town's proprietary funds ended the fiscal year with a positive net position. The total net position for proprietary funds of the Town was \$6,745,326.

Fiduciary Funds: The Town of Truckee Redevelopment Successor Agency fiduciary fund has a negative net position due to the transfer of assets and liabilities, including a bond issuance from the former Redevelopment Agency during fiscal 2012.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund Budgetary Comparison Schedule is shown on page 79. The change to transfers out budget was related to an expected increase in funding required for capital projects in the Capital Projects fund that did not occur due to the ultimate timing of the construction activity. Those expenses will be added to the budgeted spending for fiscal 2024. General Fund total actual revenues of \$42,509,835 were \$6,379,561 more than budgeted revenues. General Fund taxes and assessments, licenses and permits, use of money and property, intergovernmental revenues, and other revenues all exceed budgeted revenues. General Fund taxes and assessments exceeded the expected collections by a total of \$2,642,024. Use of money and property exceeded the expected collections by a total of 2,136,114.

Actual General Fund expenditures were lower than budgeted amounts, reflecting budgetary savings achieved through effective cost controls implemented across various Town divisions. A substantial portion of these savings originated within the Public Works Department, particularly in the Snow Removal Division. Despite a winter season with typical snowfall levels, the Town realized \$1,047,049 in savings due to persistent challenges in recruiting and hiring the seasonal staff necessary to fully implement the snow removal program. These staffing shortages limited operational capacity and contributed significantly to the overall expenditure reduction.

The public safety division exceeded their budgeted expenses by \$236,403, primarily due to increased fleet-related costs and overtime expenditures. The division had planned to replace two end-of-life vehicles during fiscal year 2022/23; however, supply chain disruptions delayed procurement, requiring the purchases to be budgeted in capital outlay for fiscal year 2023/24. In addition, two more vehicles reached end-of-life status in 2023/24, which the Town was also unable to replace due to continued supply chain constraints. The constraints were due to the mandate that the Town replace new vehicles with hybrid or electric models. As a result, the division incurred substantial maintenance expenses to keep these aging vehicles operational. Furthermore, the department experienced elevated overtime costs, driven by the need to maintain minimum staffing levels during periods of employee absences and to cover unfilled positions.

Taxes and assessments exceeded budgeted collections in both the Measure R Trails special revenue fund and Measure V Road Maintenance special revenue fund. This was primarily due to gains in the use of money and property as well as sales and use tax collections that exceeded expected collections.

Collections for charges for services were less than budgetary collections in the Facilities Impact Fees special revenue fund. Fewer commercial projects applied for building permits than anticipated in fiscal 2024.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

The town-wide investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$222,580,146 (net of depreciation). This investment in capital assets includes land, buildings and improvements, equipment, right-to-use assets, and the road network.

The major capital projects completed in fiscal 2024 included reconstruction of the Donner Creek crossing on Coldstream Road, an extension to Church Street, paving and drainage work on Town roads, repaving on Town trails, and a conversion of the Town's diesel tanks to biodiesel. Additions to infrastructure projects still in construction at year end in fiscal 2024 were related to construction of Phase 4 of the Truckee River Legacy Trail, construction of a new transit station, streetscaping on West River Street, and a road paving project.

**Capital Assets (net of depreciation)
As of June 30, 2024 and 2023**

| | 2024 | | | 2023 | | |
|--------------------------|----------------------------|-----------------------------|-----------------------|----------------------------|-----------------------------|-----------------------|
| | Governmental Activities | Business-type Activities | Total | Governmental Activities | Business-type Activities | Total |
| Land | \$ 9,407,257 | \$ - | \$ 9,407,257 | \$ 9,407,257 | \$ - | \$ 9,407,257 |
| Construction in progress | 24,651,296 | - | 24,651,296 | 22,521,824 | - | 22,521,824 |
| Buildings & improvements | 34,343,607 | 100,833 | 34,444,440 | 35,449,976 | 115,802 | 35,565,778 |
| Right of way | 57,487,179 | - | 57,487,179 | 57,487,179 | - | 57,487,179 |
| Equipment | 9,913,653 | 213,939 | 10,127,592 | 9,686,305 | 263,070 | 9,949,375 |
| Infrastructure | 85,772,100 | - | 85,772,100 | 74,781,351 | - | 74,781,351 |
| Right-to-use lease asset | 676,569 | 13,713 | 690,282 | 534,118 | - | 534,118 |
| Total Net Capital Assets | \$ <u>222,251,661</u> | \$ <u>328,485</u> | \$ <u>222,580,146</u> | \$ <u>209,868,010</u> | \$ <u>378,872</u> | \$ <u>210,246,882</u> |

Additional information about the Town's capital assets can be found in Note 6 in the Notes to the Basic Financial Statements.

DEBT ADMINISTRATION

The Town's long-term liabilities were \$12,111,425 as of June 30, 2024. The majority of the Town's debt is lease revenue bonds used to acquire the Town's current administrative office facility and land for the public service center facility. Also included are the lease revenue bonds issued during fiscal 2020 to fund the construction of additional garages at the Town's public service center facility.

General obligation debts are direct obligations of the Town and are backed by the full faith and credit of the Town requiring voter approval, and may have a tax rate set to cover repayment. State statutes limit the amount of general obligation debt to 15% of the Town's total taxable assessed valuation which was \$9.4 billion in fiscal 2024. The Town of Truckee's debt limit is \$1.3 billion. The Town does not currently have any general obligation debt outstanding.

**TOWN OF TRUCKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Town experienced moderate residential growth in fiscal 2024 when compared to fiscal 2023. The revenue budget for fiscal 2025 projected construction levels nearly equal to the fiscal 2024 levels with a slight decrease in single-family dwellings and a slight increase in multi-residential, commercial, or mixed-use occupancy. During the budget process for fiscal 2024 it was estimated that 95 new single-family units would be constructed within the Town, compared with 100 budgeted units in fiscal 2023.

Only 55 new single-family residential permits were created during fiscal 2024 (81 were created in fiscal 2023). Conversely, 92 new single-family residential permits were completed in fiscal 2024, verse 62 in fiscal 2023. While new single family residential permit activity has stabilized, there is strong activity in remodel and addition work.

The value of commercial permits issued is expected to decrease in fiscal 2025, as compared to fiscal 2024, due to inflationary increases on the cost of building materials, increased interest rates, and the leveling of the economy.

General Fund expenditures for fiscal 2025, excluding debt service, overlay reserve and capital expenditures, were projected to increase approximately 9.3% when compared with fiscal 2024 budgeted expenditures. Personnel costs were projected to increase 8.0% for fiscal 2024. Overall service and supply costs are budgeted to increase 15.7% from the fiscal 2024 budget.

Property tax, the Town's largest revenue source, is projected to increase by 10.1% compared to the fiscal year 2024 budget, or 4.0% over the fiscal year 2024 estimated actuals. This anticipated growth is largely driven by continued strength in residential real estate sales.

In contrast, both the Transient Occupancy Tax (TOT) and Sales and Use Tax revenues are expected to stabilize or experience a modest decline in fiscal year 2025 relative to the fiscal year 2024 budget.

When viewed through a long-term lens, the projected revenue levels for these sources are generally consistent with pre-COVID trends, indicating a return to more normalized activity levels following recent years of volatility.

The Town's general fund is budgeted to contribute approximately \$11.6 million to the Town's capital programs in fiscal 2025. The fiscal 2025 budget projects \$22.9 million in assigned fund balance, of which \$16.6 million (equal to 40% of general fund revenues) of general fund balance is to be assigned for contingencies, \$2.4 million for long-term road maintenance program, and \$1.1 million for streetscaping projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town of Truckee's finances and to demonstrate the Town's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Administrative Services Director, at Town of Truckee, 10183 Truckee Airport Road, Truckee, CA, 96161- 3306 or ncasey@townoftruckee.gov.

**TOWN OF TRUCKEE
STATEMENT OF NET POSITION
JUNE 30, 2024**

| | Governmental Activities | Business-type Activities | Total |
|---|------------------------------------|-------------------------------------|-----------------------|
| ASSETS | | | |
| Cash and investments (Note 2) | \$ 106,302,852 | \$ 7,173,493 | \$ 113,476,345 |
| Accounts receivable, net | 8,873,798 | 1,093,913 | 9,967,711 |
| Interest receivable | 932,352 | 47,255 | 979,607 |
| Taxes receivable | 4,501,957 | - | 4,501,957 |
| Loans receivable (Note 3) | 18,229,472 | - | 18,229,472 |
| Due from other governments | 650,940 | - | 650,940 |
| Leases receivable (Note 4) | 425,337 | - | 425,337 |
| Internal balances | 324,125 | (324,125) | - |
| Prepaid items | 21,339 | - | 21,339 |
| Inventories | 413,967 | - | 413,967 |
| Restricted cash and cash equivalents (Note 2) | 333,783 | - | 333,783 |
| Capital assets (Note 6) | | | |
| Land and construction in progress | 91,545,732 | - | 91,545,732 |
| Capital assets being depreciated, net | 130,705,929 | 328,485 | 131,034,414 |
| Total capital assets | <u>222,251,661</u> | <u>328,485</u> | <u>222,580,146</u> |
| Total Assets | <u>363,261,583</u> | <u>8,319,021</u> | <u>371,580,604</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Changes in the net pension liability (Note 8) | 9,374,748 | 510,667 | 9,885,415 |
| Changes in the net OPEB liability (Note 9) | 758,881 | 75,878 | 834,759 |
| Total Deferred Outflows of Resources | <u>10,133,629</u> | <u>586,545</u> | <u>10,720,174</u> |
| LIABILITIES | | | |
| Accounts payable | 5,498,096 | 357,300 | 5,855,396 |
| Accrued payroll and benefits | 675,824 | - | 675,824 |
| Interest payable | 47,927 | - | 47,927 |
| Deposits payable | 2,214,732 | 500 | 2,215,232 |
| Unearned revenue | 704,471 | 243,646 | 948,117 |
| Compensated absences (Note 7): | | | |
| Due within one year | 965,757 | 76,597 | 1,042,354 |
| Due in more than one year | 1,383,819 | 53,449 | 1,437,268 |
| Long-term liabilities (Note 7): | | | |
| Due within one year | 951,345 | 4,947 | 956,292 |
| Due in more than one year | 10,194,323 | 5,066 | 10,199,389 |
| Net pension liability (Note 8) | | | |
| Due in more than one year | 19,663,656 | 1,167,003 | 20,830,659 |
| Other postemployment benefits (Note 9) | | | |
| Due in more than one year | 796,199 | 80,402 | 876,601 |
| Total Liabilities | <u>43,096,149</u> | <u>1,988,910</u> | <u>45,085,059</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Changes in the net pension liability (Note 8) | 570,004 | 114,235 | 684,239 |
| Changes in the net OPEB liability (Note 9) | 510,387 | 57,095 | 567,482 |
| Leases (Note 4) | 416,985 | - | 416,985 |
| Total Deferred Inflows of Resources | <u>1,497,376</u> | <u>171,330</u> | <u>1,668,706</u> |
| NET POSITION | | | |
| Net investment in capital assets | 211,105,993 | 323,419 | 211,429,412 |
| Restricted for: | | | |
| Grants, taxes, and fees | 38,059,890 | - | 38,059,890 |
| Other restricted | 333,783 | - | 333,783 |
| Unrestricted | <u>79,302,021</u> | <u>6,421,907</u> | <u>85,723,928</u> |
| Total Net Position | <u>\$ 328,801,687</u> | <u>\$ 6,745,326</u> | <u>\$ 335,547,013</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | Total |
| | | | | | Governmental Activities | Business-type Activities | |
| PRIMARY GOVERNMENT | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | \$ 12,816,784 | \$ 1,441,470 | \$ 173,671 | \$ - | \$ (11,201,643) | \$ - | \$ (11,201,643) |
| Public safety | 13,199,090 | 293,916 | 391,303 | - | (12,513,871) | - | (12,513,871) |
| Facilities | 2,343,086 | - | - | - | (2,343,086) | - | (2,343,086) |
| Community development | 1,737,821 | 298,229 | 3,849 | - | (1,435,743) | - | (1,435,743) |
| Public works | 18,294,715 | 3,315,710 | 2,093,404 | 13,534,353 | 648,752 | - | 648,752 |
| Interest and fiscal charges | 327,986 | - | - | - | (327,986) | - | (327,986) |
| Total governmental activities | <u>48,719,482</u> | <u>5,349,325</u> | <u>2,662,227</u> | <u>13,534,353</u> | <u>(27,173,577)</u> | <u>-</u> | <u>(27,173,577)</u> |
| Business-type activities: | | | | | | | |
| Parking | 722,927 | 682,779 | - | - | - | (40,148) | (40,148) |
| Solid waste | 6,235,352 | 6,023,666 | 10,000 | - | - | (201,686) | (201,686) |
| Building | 2,075,738 | 1,930,614 | - | - | - | (145,124) | (145,124) |
| Transit | 1,849,911 | 242,257 | 1,542,095 | 750,000 | - | 684,441 | 684,441 |
| Total business-type activities | <u>10,883,928</u> | <u>8,879,316</u> | <u>1,552,095</u> | <u>750,000</u> | <u>-</u> | <u>297,483</u> | <u>297,483</u> |
| Total primary government | <u>\$ 59,603,410</u> | <u>\$ 14,228,641</u> | <u>\$ 4,214,322</u> | <u>\$ 14,284,353</u> | <u>\$ (27,173,577)</u> | <u>\$ 297,483</u> | <u>\$ (26,876,094)</u> |
| General revenues: | | | | | | | |
| Property taxes | | | | | \$ 16,634,864 | \$ - | \$ 16,634,864 |
| Sales & use taxes | | | | | 12,382,002 | - | 12,382,002 |
| Transient occupancy tax | | | | | 7,264,926 | - | 7,264,926 |
| Franchise taxes | | | | | 1,831,972 | - | 1,831,972 |
| Property transfer tax | | | | | 401,731 | - | 401,731 |
| Investment earnings | | | | | 5,254,361 | 312,179 | 5,566,540 |
| Miscellaneous | | | | | 3,163,058 | 14,656 | 3,177,714 |
| Grants and contributions - unrestricted | | | | | 2,467,464 | - | 2,467,464 |
| Transfers | | | | | 1,018,303 | (1,018,303) | - |
| Total general revenues and transfers | | | | | <u>50,418,681</u> | <u>(691,468)</u> | <u>49,727,213</u> |
| Change in net position | | | | | 23,245,104 | (393,985) | 22,851,119 |
| Net position - July 1, 2023 | | | | | <u>305,556,583</u> | <u>7,139,311</u> | <u>312,695,894</u> |
| Net position - June 30, 2024 | | | | | <u>\$ 328,801,687</u> | <u>\$ 6,745,326</u> | <u>\$ 335,547,013</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

| | <u>General Fund</u> | <u>Capital Projects</u> | <u>Town Bond Reserve Fund</u> | <u>Measure R Trails Fund</u> |
|---|-------------------------|-----------------------------|-----------------------------------|----------------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 57,948,797 | \$ 6,344,779 | \$ - | \$ 2,438,830 |
| Restricted cash and investments | - | - | 333,783 | - |
| Accounts receivable | 5,101,047 | 3,569,716 | - | - |
| Interest receivable | 675,465 | - | - | 38,949 |
| Taxes receivable | 3,385,976 | - | - | 328,760 |
| Lease receivable | 425,337 | - | - | - |
| Prepaid items | 19,939 | - | - | - |
| Due from other funds | 324,125 | - | - | - |
| Loans receivable | 1,990,783 | - | - | - |
| Inventories | 413,967 | - | - | - |
| Due from other governments | <u>23,120</u> | <u>627,820</u> | - | - |
| Total Assets | <u>\$ 70,308,556</u> | <u>\$ 10,542,315</u> | <u>\$ 333,783</u> | <u>\$ 2,806,539</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable and accrued expenses | \$ 953,692 | \$ 4,436,786 | \$ - | \$ 102 |
| Accrued payroll and benefits | 675,824 | - | - | - |
| Unearned revenue | 1,474 | 1,385,246 | - | - |
| Deposits payable | <u>405,289</u> | <u>1,734,910</u> | - | - |
| Total Liabilities | <u>2,036,279</u> | <u>7,556,942</u> | - | <u>102</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | |
| Unavailable revenues | 1,991,063 | 3,686,065 | - | - |
| Leases | <u>416,985</u> | - | - | - |
| Total Deferred Inflows of Resources | <u>2,408,048</u> | <u>3,686,065</u> | - | - |
| <u>FUND BALANCES (DEFICITS)</u> | | | | |
| Nonspendable | 324,125 | - | - | - |
| Restricted | 231,390 | - | 333,783 | 2,806,437 |
| Assigned | 27,477,871 | - | - | - |
| Unassigned | <u>37,830,843</u> | <u>(700,692)</u> | - | - |
| Total Fund Balances (Deficits) | <u>65,864,229</u> | <u>(700,692)</u> | <u>333,783</u> | <u>2,806,437</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 70,308,556</u> | <u>\$ 10,542,315</u> | <u>\$ 333,783</u> | <u>\$ 2,806,539</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2024**

| | <u>Traffic Impact Fees Fund</u> | <u>Debt Service Fund</u> | <u>Measure V Road Maintenance Fund</u> | <u>HOME Grant Fund</u> |
|--|-------------------------------------|------------------------------|--|----------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 8,954,676 | \$ - | \$ 11,152,138 | \$ - |
| Restricted cash and investments | - | - | - | - |
| Accounts receivable | 144,068 | - | - | - |
| Interest receivable | 56,503 | - | 76,095 | - |
| Taxes receivable | - | - | 663,740 | - |
| Lease receivable | - | - | - | - |
| Prepaid items | - | - | - | - |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | 11,007,926 |
| Inventories | - | - | - | - |
| Due from other governments | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>\$ 9,155,247</u> | <u>\$ -</u> | <u>\$ 11,891,973</u> | <u>\$ 11,007,926</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable and accrued expenses | \$ - | \$ - | \$ 198 | \$ - |
| Accrued payroll and benefits | - | - | - | - |
| Unearned revenue | 249,450 | - | - | - |
| Deposits payable | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>249,450</u> | <u>-</u> | <u>198</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | |
| Unavailable revenues | - | - | - | 11,007,926 |
| Leases | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Deferred Inflows of Resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>11,007,926</u> |
| <u>FUND BALANCES (DEFICITS)</u> | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 8,905,797 | - | 11,891,775 | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances (Deficits) | <u>8,905,797</u> | <u>-</u> | <u>11,891,775</u> | <u>-</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 9,155,247</u> | <u>\$ -</u> | <u>\$ 11,891,973</u> | <u>\$ 11,007,926</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2024**

| | <u>Town Special Service Areas Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|--|---|---|
| <u>ASSETS</u> | | | |
| Cash and investments | \$ 5,950,930 | \$ 13,512,702 | \$ 106,302,852 |
| Restricted cash and investments | - | - | 333,783 |
| Accounts receivable | - | 58,967 | 8,873,798 |
| Interest receivable | 40,594 | 44,746 | 932,352 |
| Taxes receivable | 39,753 | 83,728 | 4,501,957 |
| Lease receivable | - | - | 425,337 |
| Prepaid items | - | 1,400 | 21,339 |
| Due from other funds | - | - | 324,125 |
| Loans receivable | - | 5,230,763 | 18,229,472 |
| Inventories | - | - | 413,967 |
| Due from other governments | - | - | 650,940 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Assets | <u>\$ 6,031,277</u> | <u>\$ 18,932,306</u> | <u>\$ 141,009,922</u> |
| <u>LIABILITIES</u> | | | |
| Accounts payable and accrued expenses | \$ - | \$ 107,318 | \$ 5,498,096 |
| Accrued payroll and benefits | - | - | 675,824 |
| Unearned revenue | - | - | 1,636,170 |
| Deposits payable | - | 74,533 | 2,214,732 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Liabilities | <u>-</u> | <u>181,851</u> | <u>10,024,822</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | |
| Unavailable revenues | - | 5,238,237 | 21,923,291 |
| Leases | - | - | 416,985 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Deferred Inflows of Resources | <u>-</u> | <u>5,238,237</u> | <u>22,340,276</u> |
| <u>FUND BALANCES (DEFICITS)</u> | | | |
| Nonspendable | - | 1,400 | 325,525 |
| Restricted | 6,031,277 | 8,193,214 | 38,393,673 |
| Assigned | - | 5,317,604 | 32,795,475 |
| Unassigned | - | - | 37,130,151 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Fund Balances (Deficits) | <u>6,031,277</u> | <u>13,512,218</u> | <u>108,644,824</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 6,031,277</u> | <u>\$ 18,932,306</u> | <u>\$ 141,009,922</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

| | |
|--|-----------------------|
| Total fund balances of governmental funds | \$ 108,644,824 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds, net of accumulated depreciation of \$107,361,243. | 222,251,661 |
| Deferred outflows of resources related to changes in the net pension liability are not reported in the governmental funds | 9,374,748 |
| Deferred outflows of resources related to changes in the net OPEB liability are not reported in the governmental funds. | 758,881 |
| Long-term liabilities are not due in the current period and therefore are not reported in the governmental funds. | |
| Long-term liabilities | (11,145,668) |
| Compensated absences | (2,349,576) |
| Net OPEB liability | (796,199) |
| Net pension liability | (19,663,656) |
| Deferred inflows related to changes in the net pension liability | (570,004) |
| Deferred inflows related to changes in net OPEB liability | (510,387) |
| Accrued interest payable from the current portion of interest due on long-term liabilities has not been reported in the governmental funds. | (47,927) |
| Certain accounts receivable are not available to pay for current period expenditures and therefore are offset by deferred inflows of resources in the governmental funds. | <u>22,854,990</u> |
| Net position of governmental activities | <u>\$ 328,801,687</u> |

See accompanying notes to the basic financial statements.

TOWN OF TRUCKEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | <u>General Fund</u> | <u>Capital Projects</u> | <u>Town Bond Reserve Funds</u> | <u>Measure R Trails Funds</u> |
|---|-------------------------|-----------------------------|------------------------------------|-----------------------------------|
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ 32,778,186 | \$ - | \$ - | \$ 1,904,216 |
| Licenses and permits | 751,847 | - | - | - |
| Fines and forfeitures | 299,029 | - | - | - |
| Use of money and property | 3,057,038 | - | 18,907 | 299,304 |
| Intergovernmental | 2,862,522 | 4,696,746 | - | - |
| Charges for services | 1,808,188 | - | - | - |
| Other revenues | <u>953,025</u> | <u>9,664,183</u> | - | - |
| Total Revenues | <u>42,509,835</u> | <u>14,360,929</u> | <u>18,907</u> | <u>2,203,520</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| General government | 9,028,175 | 3,507,928 | - | - |
| Public safety | 9,156,406 | 2,496,832 | - | - |
| Public works | 8,900,308 | - | - | 1,313 |
| Community development | 1,654,045 | - | - | - |
| Facilities | 2,246,265 | - | - | - |
| Capital outlay | (1,966) | 20,377,267 | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total Expenditures | <u>30,983,233</u> | <u>26,382,027</u> | <u>-</u> | <u>1,313</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>11,526,602</u> | <u>(12,021,098)</u> | <u>18,907</u> | <u>2,202,207</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | 3,534,678 | 17,072,146 | - | - |
| Transfers out | <u>(11,494,930)</u> | <u>-</u> | <u>(18,536)</u> | <u>(3,948,329)</u> |
| Total Other Financing Sources (Uses) | <u>(7,960,252)</u> | <u>17,072,146</u> | <u>(18,536)</u> | <u>(3,948,329)</u> |
| Net Change in Fund Balances | 3,566,350 | 5,051,048 | 371 | (1,746,122) |
| Fund Balances (Deficits) - July 1, 2023 | <u>62,297,879</u> | <u>(5,751,740)</u> | <u>333,412</u> | <u>4,552,559</u> |
| Fund Balances (Deficits) - June 30, 2024 | <u>\$ 65,864,229</u> | <u>\$ (700,692)</u> | <u>\$ 333,783</u> | <u>\$ 2,806,437</u> |

See accompanying notes to the basic financial statements.

TOWN OF TRUCKEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | <u>Traffic Impact Fees Fund</u> | <u>Debt Service Fund</u> | <u>Measure V Road Maintenance Fund</u> | <u>HOME Grant Fund</u> |
|---|-------------------------------------|------------------------------|--|----------------------------|
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ - | \$ - | \$ 3,833,093 | \$ - |
| Licenses and permits | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 428,687 | - | 461,258 | - |
| Intergovernmental | - | - | - | - |
| Charges for services | 1,048,047 | - | - | - |
| Other revenues | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Revenues | <u>1,476,734</u> | <u>-</u> | <u>4,294,351</u> | <u>-</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | 25,385 | - | 6,019 | - |
| Community development | - | - | - | - |
| Facilities | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | 621,000 | - | - |
| Interest and fiscal charges | - | 327,985 | - | - |
| | <u>-</u> | <u>948,985</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>25,385</u> | <u>948,985</u> | <u>6,019</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>1,451,349</u> | <u>(948,985)</u> | <u>4,288,332</u> | <u>-</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | - | 948,985 | - | - |
| Transfers out | (214,006) | - | (1,283,928) | - |
| | <u>(214,006)</u> | <u>948,985</u> | <u>(1,283,928)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>(214,006)</u> | <u>948,985</u> | <u>(1,283,928)</u> | <u>-</u> |
| Net Change in Fund Balances | 1,237,343 | - | 3,004,404 | - |
| Fund Balances (Deficits) - July 1, 2023 | <u>7,668,454</u> | <u>-</u> | <u>8,887,371</u> | <u>-</u> |
| Fund Balances (Deficits) - June 30, 2024 | <u>\$ 8,905,797</u> | <u>\$ -</u> | <u>\$ 11,891,775</u> | <u>\$ -</u> |

See accompanying notes to the basic financial statements.

TOWN OF TRUCKEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | <u>Town Special Service Areas Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|--|---|---|
| <u>REVENUES</u> | | | |
| Taxes and assessments | \$ 779,297 | \$ 3,751,484 | \$ 43,046,276 |
| Licenses and permits | - | - | 751,847 |
| Fines and forfeitures | - | - | 299,029 |
| Use of money and property | 279,095 | 368,757 | 4,913,046 |
| Intergovernmental | - | 1,323,860 | 8,883,128 |
| Charges for services | - | 378,527 | 3,234,762 |
| Other revenues | - | 47,208 | 10,664,416 |
| | <u>1,058,392</u> | <u>5,869,836</u> | <u>71,792,504</u> |
| Total Revenues | | | |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| General government | - | - | 12,536,103 |
| Public safety | - | 95,391 | 11,748,629 |
| Public works | 6,180 | 139,418 | 9,078,623 |
| Community development | - | - | 1,654,045 |
| Facilities | - | - | 2,246,265 |
| Capital outlay | - | 1,802,420 | 22,177,721 |
| Debt service: | | | |
| Principal | - | - | 621,000 |
| Interest and fiscal charges | - | - | 327,985 |
| | <u>6,180</u> | <u>2,037,229</u> | <u>60,390,371</u> |
| Total Expenditures | | | |
| Excess (Deficiency) of Revenues over Expenditures | <u>1,052,212</u> | <u>3,832,607</u> | <u>11,402,133</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfers in | - | 185,771 | 21,741,580 |
| Transfers out | <u>(660,643)</u> | <u>(3,102,905)</u> | <u>(20,723,277)</u> |
| Total Other Financing Sources (Uses) | <u>(660,643)</u> | <u>(2,917,134)</u> | <u>1,018,303</u> |
| Net Change in Fund Balances | 391,569 | 915,473 | 12,420,436 |
| Fund Balances (Deficits) - July 1, 2023 | <u>5,639,708</u> | <u>12,596,745</u> | <u>96,224,388</u> |
| Fund Balances (Deficits) - June 30, 2024 | <u>\$ 6,031,277</u> | <u>\$ 13,512,218</u> | <u>\$ 108,644,824</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
RECONCILIATION OF THE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

Reconciliation of the change in fund balances - total governmental funds to the change in net position of governmental activities:

| | |
|---|----------------------|
| Net change in fund balances - total governmental funds | \$ 12,420,436 |
| <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p> | |
| Capital asset purchases | 22,649,461 |
| Depreciation expense | (10,265,900) |
| <p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Proceeds from long-term liabilities are reported as other financing sources in the governmental funds, but increase long-term liabilities in the Statement of Net Position.</p> | |
| Debt principal payments | 621,000 |
| Proceeds of long-term liabilities | (435,925) |
| SBITA principal payments | 362,583 |
| Amortization of debt premium | 22,114 |
| <p>Compensated absence expenditures reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in a governmental fund. This is the net change in compensated absences for the current period.</p> | |
| | (331,340) |
| <p>Receipts of payments and disbursements of funds related to notes and loans receivable are reported as revenue and expenditures, respectively, in governmental funds, but an increase and decrease, respectively, in notes receivable in the Statement of Net Position.</p> | |
| Loan program receipts | (61,680) |
| Long-term loan interest accrual | 341,315 |
| <p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p> | |
| Changes in the net pension liability and deferred outflows and inflows | (1,354,157) |
| Changes in the net OPEB liability and deferred outflows and inflows | (32,961) |
| <p>Some revenues reported in the Statement of Activities will not be collected for several months after year-end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.</p> | |
| | <u>(689,842)</u> |
| Change in net position of governmental activities | <u>\$ 23,245,104</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

| | Business-Type Activities - Enterprise Funds | | |
|--|--|-------------------------|--------------------------|
| | Parking Fund | Transit Fund | Solid Waste Fund |
| <u>ASSETS</u> | | | |
| Current Assets | | | |
| Cash and investments | \$ 1,215,997 | \$ - | \$ 613,521 |
| Accounts receivable, net | 44,698 | 723,609 | 325,606 |
| Interest receivable | 7,994 | 1,411 | 4,310 |
| Total Current Assets | <u>1,268,689</u> | <u>725,020</u> | <u>943,437</u> |
| Non Current Assets | | | |
| Capital assets | 166,294 | 1,032,946 | 82,672 |
| Less: accumulated depreciation | (126,042) | (792,423) | (34,962) |
| Total Non-Current Assets | <u>40,252</u> | <u>240,523</u> | <u>47,710</u> |
| Total Assets | <u>1,308,941</u> | <u>965,543</u> | <u>991,147</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | | |
| Changes in net pension liability | 103,321 | 66,590 | 49,167 |
| Changes in the net OPEB liability | 9,286 | 3,127 | 8,330 |
| Total Deferred Outflows | <u>112,607</u> | <u>69,717</u> | <u>57,497</u> |
| <u>LIABILITIES</u> | | | |
| Current Liabilities | | | |
| Accounts payable | 32,400 | 208,099 | 93,434 |
| SBITA payable - current | - | 4,947 | - |
| Deposits payable | - | - | - |
| Due to other funds | - | 324,125 | - |
| Unearned revenues | - | 243,646 | - |
| Compensated absences - current | 11,849 | 8,623 | 13,048 |
| Total Current Liabilities | <u>44,249</u> | <u>789,440</u> | <u>106,482</u> |
| Non-Current Liabilities | | | |
| Compensated absences - noncurrent | 8,268 | 6,017 | 9,105 |
| SBITA payable - noncurrent | - | 5,066 | - |
| OPEB liability | 11,426 | (682) | 8,273 |
| Net pension liability | 241,444 | 165,643 | 122,825 |
| Total Non-Current Liabilities | <u>261,138</u> | <u>176,044</u> | <u>140,203</u> |
| Total Liabilities | <u>305,387</u> | <u>965,484</u> | <u>246,685</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | |
| Changes in net pension liability | (1,411) | 28,148 | 27,266 |
| Changes in the net OPEB liability | 5,408 | 7,260 | 5,938 |
| Total Deferred Inflows | <u>3,997</u> | <u>35,408</u> | <u>33,204</u> |
| <u>NET POSITION:</u> | | | |
| Net investment in capital assets | 40,252 | 235,457 | 47,710 |
| Unrestricted | 1,071,912 | (201,089) | 721,045 |
| Total Net Position | <u>\$ 1,112,164</u> | <u>\$ 34,368</u> | <u>\$ 768,755</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2024**

| | Business-Type Activities - Enterprise Funds | |
|--|--|----------------------------|
| | Building and Safety Fund | Totals |
| <u>ASSETS</u> | | |
| Current Assets | | |
| Cash and investments | \$ 5,343,975 | \$ 7,173,493 |
| Accounts receivable, net | - | 1,093,913 |
| Interest receivable | 33,540 | 47,255 |
| Total Current Assets | <u>5,377,515</u> | <u>8,314,661</u> |
| Non Current Assets | | |
| Capital assets | 231,503 | 1,513,415 |
| Less: accumulated depreciation | <u>(231,503)</u> | <u>(1,184,930)</u> |
| Total Non-Current Assets | <u>-</u> | <u>328,485</u> |
| Total Assets | <u>5,377,515</u> | <u>8,643,146</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | |
| Changes in net pension liability | 291,589 | 510,667 |
| Changes in the net OPEB liability | <u>55,135</u> | <u>75,878</u> |
| Total Deferred Outflows | <u>346,724</u> | <u>586,545</u> |
| <u>LIABILITIES</u> | | |
| Current Liabilities | | |
| Accounts payable | 23,367 | 357,300 |
| SBITA payable - current | - | 4,947 |
| Deposits payable | 500 | 500 |
| Due to other funds | - | 324,125 |
| Unearned revenues | - | 243,646 |
| Compensated absences - current | <u>43,077</u> | <u>76,597</u> |
| Total Current Liabilities | <u>66,944</u> | <u>1,007,115</u> |
| Non-Current Liabilities | | |
| Compensated absences - noncurrent | 30,059 | 53,449 |
| SBITA payable - noncurrent | - | 5,066 |
| OPEB liability | 61,385 | 80,402 |
| Net pension liability | <u>637,091</u> | <u>1,167,003</u> |
| Total Non-Current Liabilities | <u>728,535</u> | <u>1,305,920</u> |
| Total Liabilities | <u>795,479</u> | <u>2,313,035</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Changes in net pension liability | 60,232 | 114,235 |
| Changes in the net OPEB liability | <u>38,489</u> | <u>57,095</u> |
| Total Deferred Inflows | <u>98,721</u> | <u>171,330</u> |
| <u>NET POSITION:</u> | | |
| Net investment in capital assets | - | 323,419 |
| Unrestricted | <u>4,830,039</u> | <u>6,421,907</u> |
| Total Net Position | <u>\$ 4,830,039</u> | <u>\$ 6,745,326</u> |

See accompanying notes to the basic financial statements.

TOWN OF TRUCKEE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | Business-Type Activities - Enterprise Funds | | |
|---|--|---------------------|-------------------------|
| | Parking Fund | Transit Fund | Solid Waste Fund |
| <u>OPERATING REVENUES</u> | | | |
| Charges for services | \$ 601,014 | \$ 241,665 | \$ 6,023,666 |
| Fines and forfeitures | 81,765 | - | - |
| Other revenue | - | 592 | - |
| Total Operating Revenue | 682,779 | 242,257 | 6,023,666 |
| <u>OPERATING EXPENSES</u> | | | |
| Salaries and benefits | 373,388 | 251,421 | 290,339 |
| Services and supplies | 331,571 | 1,517,599 | 5,940,198 |
| Depreciation | 17,968 | 80,891 | 4,815 |
| Total Operating Expenses | 722,927 | 1,849,911 | 6,235,352 |
| Operating Income (Loss) | (40,148) | (1,607,654) | (211,686) |
| <u>NON-OPERATING REVENUES (EXPENSES)</u> | | | |
| Interest income | 40,314 | 1,622 | 15,972 |
| Intergovernmental revenue | - | 2,292,095 | 10,000 |
| Miscellaneous | 25 | 7,101 | - |
| Total Non-Operating Revenues (Expenses) | 40,339 | 2,300,818 | 25,972 |
| Income (Loss) Before Transfers | 191 | 693,164 | (185,714) |
| <u>TRANSFERS</u> | | | |
| Transfers out | (51,461) | (824,500) | (140,091) |
| Total Transfers | (51,461) | (824,500) | (140,091) |
| Change in net position | (51,270) | (131,336) | (325,805) |
| Net Position - July 1, 2023 | 1,163,434 | 165,704 | 1,094,560 |
| Net Position - June 30, 2024 | <u>\$ 1,112,164</u> | <u>\$ 34,368</u> | <u>\$ 768,755</u> |

See accompanying notes to the basic financial statements.

TOWN OF TRUCKEE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | Business-Type Activities - Enterprise Funds | |
|---|--|---------------------|
| | Building and Safety Fund | Totals |
| <u>OPERATING REVENUES</u> | | |
| Charges for services | \$ 1,925,509 | \$ 8,791,854 |
| Fines and forfeitures | 5,105 | 86,870 |
| Other revenue | - | 592 |
| | <u>1,930,614</u> | <u>8,879,316</u> |
| <u>OPERATING EXPENSES</u> | | |
| Salaries and benefits | 1,291,124 | 2,206,272 |
| Services and supplies | 770,144 | 8,559,512 |
| Depreciation | 14,470 | 118,144 |
| | <u>2,075,738</u> | <u>10,883,928</u> |
| Total Operating Revenue | | |
| Total Operating Expenses | | |
| Operating Income (Loss) | <u>(145,124)</u> | <u>(2,004,612)</u> |
| <u>NON-OPERATING REVENUES (EXPENSES)</u> | | |
| Interest income | 254,271 | 312,179 |
| Intergovernmental revenue | - | 2,302,095 |
| Miscellaneous | 7,530 | 14,656 |
| | <u>261,801</u> | <u>2,628,930</u> |
| Total Non-Operating Revenues (Expenses) | | |
| Income (Loss) Before Transfers | <u>116,677</u> | <u>624,318</u> |
| <u>TRANSFERS</u> | | |
| Transfers out | <u>(2,251)</u> | <u>(1,018,303)</u> |
| Total Transfers | <u>(2,251)</u> | <u>(1,018,303)</u> |
| Change in net position | 114,426 | (393,985) |
| Net Position - July 1, 2023 | <u>4,715,613</u> | <u>7,139,311</u> |
| Net Position - June 30, 2024 | <u>\$ 4,830,039</u> | <u>\$ 6,745,326</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

| | Business-type Activities - Enterprise Funds | | |
|--|--|---------------------|-------------------------|
| | Parking Fund | Transit Fund | Solid Waste Fund |
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | | |
| Cash received from customers | \$ 658,386 | \$ (105,379) | \$ 5,985,149 |
| Cash paid to suppliers | (320,122) | (1,418,536) | (5,902,186) |
| Cash paid to employees | <u>(357,500)</u> | <u>(234,856)</u> | <u>(270,959)</u> |
| Net Cash Provided by (Used for) Operating Activities | <u>(19,236)</u> | <u>(1,758,771)</u> | <u>(187,996)</u> |
| <u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u> | | | |
| Intergovernmental revenues received | 25 | 2,582,748 | 10,000 |
| Interfund disbursements | <u>(51,461)</u> | <u>(824,500)</u> | <u>(140,091)</u> |
| Net Cash Provided by (Used for) Non-Capital Financing Activities | <u>(51,436)</u> | <u>1,758,248</u> | <u>(130,091)</u> |
| <u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u> | | | |
| Acquisition of capital assets | - | - | (52,634) |
| Principal paid on long-term debt | <u>-</u> | <u>(5,220)</u> | <u>-</u> |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | <u>-</u> | <u>(5,220)</u> | <u>(52,634)</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | | |
| Interest and dividends | <u>37,708</u> | <u>2,447</u> | <u>14,618</u> |
| Net Cash Provided by Investing Activities | <u>37,708</u> | <u>2,447</u> | <u>14,618</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (32,964) | (3,296) | (356,103) |
| Cash and Cash Equivalents - July 1, 2023 | <u>1,248,961</u> | <u>3,296</u> | <u>969,624</u> |
| Cash and Cash Equivalents - June 30, 2024 | <u>\$ 1,215,997</u> | <u>\$ -</u> | <u>\$ 613,521</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

| | Business-type Activities - Enterprise Funds | |
|--|--|---------------------|
| | Building and Safety Fund | Totals |
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | |
| Cash received from customers | \$ 1,930,614 | \$ 8,468,770 |
| Cash paid to suppliers | (767,114) | (8,407,958) |
| Cash paid to employees | <u>(1,223,091)</u> | <u>(2,086,406)</u> |
| Net Cash Provided by (Used for) Operating Activities | <u>(59,591)</u> | <u>(2,025,594)</u> |
| <u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u> | | |
| Intergovernmental revenues received | 7,530 | 2,600,303 |
| Interfund disbursements | <u>(2,250)</u> | <u>(1,018,302)</u> |
| Net Cash Provided by (Used for) Non-Capital Financing Activities | <u>5,280</u> | <u>1,582,001</u> |
| <u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u> | | |
| Acquisition of capital assets | - | (52,634) |
| Principal paid on long-term debt | <u>-</u> | <u>(5,220)</u> |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | <u>-</u> | <u>(57,854)</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| Interest and dividends | <u>241,671</u> | <u>296,444</u> |
| Net Cash Provided by Investing Activities | <u>241,671</u> | <u>296,444</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 187,360 | (205,003) |
| Cash and Cash Equivalents - July 1, 2023 | <u>5,156,615</u> | <u>7,378,496</u> |
| Cash and Cash Equivalents - June 30, 2024 | <u>\$ 5,343,975</u> | <u>\$ 7,173,493</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

| | Business-type Activities - Enterprise Funds | | |
|---|--|-----------------------|-------------------------|
| | Parking Fund | Transit Fund | Solid Waste Fund |
| <u>RECONCILIATION OF OPERATING INCOME (LOSS)</u> | | | |
| <u>TO NET CASH PROVIDED BY (USED FOR)</u> | | | |
| <u>OPERATING ACTIVITIES:</u> | | | |
| Operating Income (loss) | \$ (40,148) | \$ (1,607,654) | \$ (211,686) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | |
| Depreciation and amortization | 17,968 | 80,891 | 4,815 |
| Pension and OPEB expense | 17,674 | 10,852 | 11,960 |
| Changes in assets and liabilities: | | | |
| (Increase) decrease in accounts receivable | (24,393) | (347,636) | (38,518) |
| Increase (decrease) in accounts payable | 11,449 | 99,063 | 38,012 |
| Increase (decrease) in compensated absences | <u>(1,786)</u> | <u>5,713</u> | <u>7,421</u> |
| Net Cash Provided by (Used for) Operating Activities | <u>\$ (19,236)</u> | <u>\$ (1,758,771)</u> | <u>\$ (187,996)</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

| | Business-type Activities - Enterprise Funds | |
|--|--|----------------|
| | Building and Safety Fund | Totals |
| <u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</u> | | |
| Operating Income (loss) | \$ (145,124) | \$ (2,004,612) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | |
| Depreciation and amortization | 14,470 | 118,144 |
| Pension and OPEB expense | 67,834 | 108,320 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | - | (410,547) |
| Increase (decrease) in accounts payable | 3,029 | 151,553 |
| Increase (decrease) in compensated absences | 200 | 11,548 |
| Net Cash Provided by (Used for) Operating Activities | \$ (59,591) | \$ (2,025,594) |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2024**

| | <u>Redevelopment Successor Agency Fund</u> |
|---|--|
| <u>ASSETS</u> | |
| Cash and investments | \$ 981,901 |
| Interest receivable | 5,564 |
| Prepaid expenses | 1,604 |
| Notes receivable, net | 115,440 |
| Capital assets: | |
| Depreciable capital assets | 217,816 |
| Less: accumulated depreciation | <u>(217,816)</u> |
| Total Capital assets | <u>-</u> |
| Total Assets | <u>1,104,509</u> |
| <u>LIABILITIES</u> | |
| Accounts payable | 96 |
| Interest payable | 115,333 |
| Long-term liabilities: | |
| Due within one year | 441,210 |
| Due in more than one year | <u>9,413,607</u> |
| Total Long-term liabilities | <u>9,854,817</u> |
| Total Liabilities | <u>9,970,246</u> |
| <u>NET POSITION</u> | |
| Restricted for: | |
| Individuals, organizations, and other governments | <u>(8,865,737)</u> |
| Total Net Position | <u>\$ (8,865,737)</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

| | <u>Redevelopment Successor Agency Fund</u> |
|--|--|
| <u>ADDITIONS</u> | |
| Property taxes | \$ 705,225 |
| Use of money and property | 26,464 |
| Other revenue | <u>22,235</u> |
| Total Additions | <u>753,924</u> |
| <u>DEDUCTIONS</u> | |
| Program expenses | 2,506 |
| Administrative expenses | 66,822 |
| Interest and fiscal agency expenses | 348,333 |
| Depreciation, amortization, loan forgiveness | <u>(74,361)</u> |
| Total Deductions | <u>343,300</u> |
| Change in Fiduciary Net Position | 410,624 |
| Fiduciary Net Position - July 1, 2023 | <u>(9,276,361)</u> |
| Fiduciary Net Position - June 30, 2024 | <u>\$ (8,865,737)</u> |

See accompanying notes to the basic financial statements.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The fiduciary activities are only reported in the fund financial statements. Governmental activities, which are normally supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers to continue operations. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

A. The Reporting Entity

The Town of Truckee (Town) incorporated on March 23, 1993, and became a charter Town on September 15, 1995. It is governed under the laws governing charter cities and other applicable state statutes. The Town operates under a Council form of government and provides the following services: public safety, maintenance of roadways, public improvements, community planning, zoning, general administrative services, solid waste, building and safety, parking, and transit.

The governmental reporting entity consists of the Town (Primary Government) and its component units. Component units are legally separate organizations for which the Primary Government, the Council, is financially accountable. Additionally, there are other organizations whose component unit nature and significant relationship with the Town are such that exclusion would cause the Town's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (i) the Town's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the Town.

Reporting for component units on the Town's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the Town's operations, and therefore, data from these units are combined with data of the primary government. Discretely presented component units would be reported in a separate column in the government-wide financial statements to emphasize that the unit is legally separate from the primary government.

For financial reporting purposes, the Town's basic financial statements include all activities that are controlled by or are dependent upon the actions taken by the Town Council.

Blended Component Units

Component Units that are blended into the reporting activity types of the Town's report are presented as follows:

Truckee Public Financing Authority

The Truckee Public Financing Authority is a public agency created under a joint exercise of powers agreement between the Town and the former Town of Truckee Redevelopment Agency (now the Redevelopment Successor Agency). The governing body is substantially the same as the primary government, and the Town and the component unit are financially interdependent. Because the unit meets all criteria of a component unit, the unit is presented by blending with the primary government. Separate audited financial statements for the Truckee Public Financing Authority are not issued. Debt of the Truckee Public Financing Authority related to Town operations is shown as long-term debt of the Town. Debt related to the Redevelopment Successor Agency is shown as debt of the fiduciary fund.

Discretely Presented Component Units

There are no component units of the Town that meet the criteria for discrete presentation.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

The Town's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These standards require that the financial statements described below be presented.

Government-wide Financial Statements:

The statement of net position and statement of activities display information about the primary government, the Town, and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties. The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the Town's business-type activities and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. Program revenues include (i) charges paid by the recipient of goods and services offered by the program and (ii) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Town or meets both of the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures of that individual governmental or proprietary fund are at least 10% of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures of the individual governmental or proprietary fund are at least 5% of the corresponding total for all governmental and proprietary funds combined.

All remaining governmental funds are aggregated and reported as nonmajor funds in a single column, regardless of their fund type.

he funds of the financial reporting entity are described below:

Governmental Funds

General Fund - The general fund is the general operating fund of the Town and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Fund - Debt service funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Projects Funds - Capital project funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proprietary Funds

Enterprise Funds - Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary Funds (not included in government-wide statements)

Custodial Funds - Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

The Town reports the following as major governmental funds:

General Fund - The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the Town that are not accounted for through other funds. For the Town, the General Fund includes such activities as public safety, maintenance of streets, public improvements, planning, zoning, housing, sustainability, economic development, and general administrative services.

Town Bond Reserve Fund - The Town Bond Reserve Fund is used to hold the balance of reserve accounts and monies-held-in escrow for outstanding Town-issued debt.

Measure R Trails Fund - The Measure R Trails Fund is a special revenue fund used to account for revenue and expenditures related to a ¼ percent sales and use tax, passed in June of 2014. The revenues generated by this sales tax are collected for use in trail construction and maintenance within the Town boundaries.

Traffic Impact Fees Fund - The Traffic Impact Fees Fund is a special revenue fund used to account for traffic impact fee revenues and the associated expenditures. The impact fees are collected along with permitting fees for specific development projects in the Town and are used to offset the traffic impacts on existing Town roads caused by the new development.

Debt Service Fund - The Debt Service Fund is a special revenue fund used to track payment of debt principal and interest on the Town's outstanding bonds. This fund receives "transfers in" of resources from other Town funds (primarily the General Fund) to meet the payment obligations.

Capital Project Fund - The Capital Projects Fund is used to account expenditures for major capital acquisitions and construction undertaken by the Town. Expenditures are funded via transfer of resources from various Town special revenue funds, enterprise funds and the General Fund, as well as receipt of grant funds and miscellaneous private contributions.

Measure V Road Maintenance Fund - The Measure V Road Maintenance Fund is a special revenue fund used to account for revenue and expenditures related to a ½ percent sales and use tax, passed in November of 2008. These funds are collected for use on road maintenance and related infrastructure within the Town.

HOME Grant Fund - HOME Grant Fund is a special revenue fund used to account for activity of various HOME grant programs facilitated by the Town to fund long-term down payment assistance loans for low/very low income housing units.

Town Special Service Areas (TSSA) Funds - The Town Special Service Areas (TSSA) Funds are collected as part of property tax in certain Town neighborhoods and are available for use on enhanced road and transportation related maintenance services within those areas.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town reports the following proprietary funds:

Parking Fund - The Parking Fund is an enterprise fund used to account for the operation of the Town's downtown parking facilities.

Transit Fund - The Transit Fund is an enterprise fund used to account for the operations of public transportation.

Solid Waste Fund - The Solid Waste Fund is an enterprise fund used to account for regular garbage collection services, collection of yard waste, and recycling and waste reduction programs. Services are provided to residential and business locations on a user charge basis.

Building and Safety Fund - The Building and Safety Fund is an enterprise fund used to account for the operations of the division in enforcing State and Town laws and regulations concerning the safety of structures.

The Town reports the following fiduciary fund:

Redevelopment Successor Agency (RSA) Fund - The Redevelopment Successor Agency (RSA) Fund is used to account for the activities of the former Truckee Redevelopment Agency formed in accordance with State law.

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resource measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized in the period in which the underlying transaction takes place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period. This is the criteria for receipts to be both considered measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Operating expenses for proprietary enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses.

D. Budgetary Information

Budgetary Basis of Accounting: Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, the Measure R Trails Fund, the Traffic Impact Fees Fund, the Measure V Road Maintenance Fund, and the Town Special Service Areas Fund. The HOME Grant Fund does not have an appropriated budget since other means control the use of these resources (e.g., grant awards). The following non-major special revenue funds have legally adopted budgets: Air Quality Mitigation Fund, Community Facilities District Fund, and Facilities Impact Fees Fund.

The appropriated budget is prepared by fund, function, and department. The Town of Truckee's Town Manager can make transfers within a specific fund. Transfers between funds require approval from the Council. The legal level of budget control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Investments

The Town pools cash and investments of all funds except for amounts held by fiscal agent. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. State statutes authorize the Town to invest its cash surplus in obligations of the U.S. treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Investment income from pooled investments is allocated to all funds in the pool. Interest is allocated based on average month end cash balance amounts for each fund as a percentage of the total balance. Income from non-pooled investments is recorded based on specific investments held by the fund. Interest income is recorded in the fund that earned the interest.

The Town 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 an active market for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Town does not have any investments that are measured using Level 3 inputs. Cash deposits are reported at the carrying amount, which reasonably estimates fair value.

F. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include taxes, grants, and interest. Business-type activities report user fees and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as taxes, grants, interest, and other intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions that are collectible but not available are recorded as deferred inflows in the fund financial statements in accordance with the modified accrual basis of accounting but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Interest and investment earnings are recorded when earned, but only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. User fee receivable and interest receivables compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

G. Interfund Transactions

Interfund transactions are used to reflect interfund loans, services provided or used, reimbursements, or transfers.

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consideration. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is an increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in the expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide presentation. See Note 5 for details of interfund transactions, including receivables and payables at year-end.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Prepaid Expenses and Inventory

Governmental fund inventories are recorded as expenditures at the time the inventory is purchased. Inventory is valued at net realizable value. Due to this valuation method, some items are valued above cost. The overall increase in inventory value due to this valuation method is immaterial. The Town's inventory balance includes supplies used in the road maintenance, snow removal, and fleet divisions of the public works department, as well as the public safety department. Change in the inventory balance is reported as a direct adjustment to public works and public safety expenditures. Certain payments to vendors reflect costs applicable to future accounting periods. These costs are recorded as prepaid costs in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expense when consumed rather than when purchased.

I. Loans Receivable

For the purposes of the fund financial statements, General Fund, HOME Grant Fund and special revenue fund expenditures relating to loans receivable arising from mortgage subsidy programs and other loan programs are charged to operations at the time of funding when the loans are recorded. Loans receivables include loans for which repayment is deferred or for which repayment may be forgiven if certain terms or conditions of the loans are met.

J. Leases Receivable

The Town is a lessor for noncancellable leases for buildings. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund and proprietary fund financial statements.

At the commencement of a lease, the Town measures leases receivable at the present value of rent payments expected to be received during the contract term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The Town records deferred inflows of resources at the initiation of the contract in an amount equal to the initial recording of the leases receivable plus incentive payments received, if any. The deferred inflow of resources is amortized on a straight-line basis over the term of the contract. If there is no stated rate in the contract and the implicit rate cannot be determined, the Town uses its own estimated incremental borrowing rate as the discount rate to measure the leases receivable. The Town's estimated incremental borrowing rate is based on market data for AAA rated debt.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks) are defined by the Town as an asset with an expected life greater than one year and a cost greater than \$5,000.

Property, plant, and equipment have been stated at actual cost. Infrastructure assets, including roads, have been stated at historical cost, beginning with the fiscal year 1997. Contributed capital assets, or donated works of art or similar items, or capital assets received in service concession arrangements are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset nor materially extend the life of the asset are not capitalized.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The accounting treatment over capital assets depends on whether the assets are used in operations accounted for in a governmental fund or in a proprietary fund, as well as whether or not they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, property, plant, and equipment assets are accounted for as capital assets.

Depreciation of all exhaustible capital assets (i.e., assets with a finite useful life) is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is recorded over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|-----------------------------|---------------|
| Structures and improvements | 25 - 60 years |
| Equipment | 4 - 25 years |
| Infrastructure | 15 - 25 years |

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund at the time of acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide financial statements.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position, or balance sheet, will report deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets balance that applies to future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that time. In addition to liabilities, the Statement of Net Position will report a separate section for deferred inflows of resources. This element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

M. Long Term Liabilities

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations, as well as whether the debt is reported in the government-wide or fund financial statements.

All long-term liabilities to be repaid from the governmental or business-type resources are reported as a liability in the government-wide financial statements. The long-term liabilities consist of bonds payable, SBITA payable, and accrued compensated absences.

Long-term liabilities for governmental funds are not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources. Payment of principal and interest is reported as an expenditure. The accounting for debt in the proprietary funds is the same as it is in the government-wide financial statements.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Subscription Based Information Technology Arrangements

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 Town uses various SBITA assets that it contracts through 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.

The Town uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate in the arrangement. The Town's estimated incremental borrowing rate is based on market data for AAA rated debt adjusted for the market spread.

O. Compensated Absences

The Town's policy regarding compensated absences is to permit employees to accumulate a limited amount of earned but unused vacation leave, compensatory leave, and vested sick time. Vesting of sick time is specified under the Town's various labor memoranda of understanding. The liability for these compensated absences is determined annually and recorded as long-term debt in the government-wide financial statements, and in the proprietary fund financial statements. The current portion of this debt is estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature, as a result of employee's resignation or retirement.

The Town includes its share of Medicare taxes payable on behalf of the employees in the accrual of compensated absences. Compensated absences are liquidated by the fund that has recorded the liability. Governmental activities compensated absences are liquidated primarily by the General Fund and business-type activity compensated absences are liquidated by the respective enterprise fund.

P. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and the pension expense, information about the fiduciary net position of the Town's California Public Employee's Retirement System (CalPERS) plan (the Plan) and the 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. Investments are reported at fair value.

Q. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Town's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2023 |
| Measurement Period | July 1, 2022 to June 30, 2023 |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Net Position/Fund Balance

The government-wide and business-type activity financial statements utilize a net position presentation. Net position is categorized as net investment in capital, restricted and unrestricted.

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of resources with constraints place on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

Net Position Flow Assumptions: The Town of Truckee does on occasion fund outlays for a particular purpose with both restricted and unrestricted resources. When both restricted and unrestricted resources are available, restricted net position is considered depleted before unrestricted net position.

The Town implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- a. Nonspendable - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. For the Town, these amounts include inventory and prepaid assets.
- b. Restricted - Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, or constraints that are externally imposed by creditors, grantors, contributors, or the laws/regulations of another government.
- c. Committed - Amounts that can be used only for specific purposes determined by a formal action of Town Council. The Town Council is the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Council. The Town did not have any committed resources as of June 30, 2024.
- d. Assigned - Amounts that do not meet the criteria to be classified as restricted or committed but are intended for use for specific purposes. This intent can be expressed by the Town Council or by an official or body to whom the Town Council delegates authority. These are referred to as designations in the Town's annual budget.
- e. Unassigned - Amounts not included in other spendable classifications. Positive amounts are reported only in the General Fund.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Property Tax Levy, Collection and Maximum Rates

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate at any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by the voters. Assessed value is calculated at 100% of market value, as defined in Article XIII A, and may be adjusted by no more than 2% per year unless the property is sold or transferred.

The State Legislature has determined the method of distribution of receipts for the 1% tax levy among the county, cities, school districts and other districts.

The County of Nevada (County) assesses, bills for, and collects property taxes along the following schedule:

| | Secured | Unsecured |
|----------------------|--|-----------|
| Valuation/Lien Dates | January 1 | January 1 |
| Levy Date | January 1 | January 1 |
| Due Dates | November 1 (1st installment) February 1 (2nd installment) | July 1 |
| Delinquent Dates | December 10 (1st installment) April 10 (2nd installment) | August 31 |

The term "unsecured" refers to taxes on personal property other than land or buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after the fiscal year end.

The County of Nevada apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as prescribed by Section 4717 of the California Revenue and Taxation Code. Therefore, the Town receives 100% of the secured property tax levies to which it is entitled, whether or not collected. Entities/counties not using the Teeter Plan, allocate out interest and penalties collected along with delinquent property taxes to the agencies based on their pro rata share of delinquent property tax collected. Unsecured delinquent taxes are considered fully collectible.

T. Grant Revenue

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditures and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if accrual criteria are met. Cash received prior to incurrence of related expenditures is recorded as unearned revenue.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character
 Current (further classified by function)
 Capital Outlay
 Debt Service
 Proprietary Fund - By Operating and Non-Operating

V. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America require that management make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

W. Implementation of Government Accounting Standards Board Statements

Effective July 1, 2023, the Town 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 Town adopted this accounting guidance for its June 30, 2024 year-end.

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. The Town adopted this accounting guidance for its June 30, 2024 year-end.

X. Future Government Accounting Standards Board Statements

These statements are not effective until July 1, 2024 or later. The Town has not determined the effects on the financial statements.

Government Accounting Standards Board Statement No. 101

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This 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 Town's fiscal year ending June 30, 2025.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 government 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 or outflow 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 Town's fiscal year ending June 30, 2025.

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 Town'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 objective 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 assets 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 Town's fiscal year ending June 30, 2026.

NOTE 2: CASH AND INVESTMENTS

The Town pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

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

| | <u>Cash and Investments</u> | <u>Restricted Cash and Investments</u> | <u>Total</u> |
|---|---------------------------------|--|-----------------------|
| Governmental activities | \$ 106,302,852 | \$ 333,783 | \$ 106,636,635 |
| Business-type activities | <u>7,173,493</u> | <u>-</u> | <u>7,173,493</u> |
| Total government-wide cash and investments | <u>\$ 113,476,345</u> | <u>\$ 333,783</u> | <u>\$ 113,810,128</u> |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Cash and investments were carried at fair value as of June 30, 2024 and consisted of the following:

| | |
|-------------------------------------|------------------------------|
| Cash on hand | \$ 800 |
| Cash with fiscal agent | 333,783 |
| Cash in banks | <u>5,948,327</u> |
| Total cash and deposits | <u>6,282,910</u> |
| U.S. Government (Agency) Securities | 3,892,417 |
| U.S. Treasuries | 13,625,835 |
| Corporate Medium Term Notes | 9,081,701 |
| Asset Backed Securities | 3,216,104 |
| Supranationals | 1,551,832 |
| Commercial Paper | 340,999 |
| Collateralized Mortgage Obligations | 3,398,117 |
| Interest-bearing cash | 2,994 |
| Local Agency Investment Fund (LAIF) | <u>72,417,219</u> |
| Total investments | <u>107,527,218</u> |
| Total cash and investments | <u>\$ 113,810,128</u> |

Deposits

The State of California Government Code requires California banks, savings, and loan associations to collateralize a Town's deposits by pledging government securities. The market value of pledged securities must equal at least 110% of a Town's deposits. California law also allows financial institutions to collateralize Town deposits by pledging first trust deed mortgage notes having a value of 150% of a Town's total deposits. The Town may waive collateral requirements for deposits, which are fully insured up to the \$250,000 Federal Deposit insurance amount.

At year-end, the carrying amount of the Town's cash deposits (including only checking accounts and money market accounts) was \$5,948,327 and the bank balance was \$6,282,110. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. Of the bank balance, including bond trust funds, \$761,150 was covered by federal deposit insurance and \$5,520,960 was uninsured and collateralized (i.e., collateralized with securities held by the pledging financial institution at 110% of the deposits, in accordance with the State of California Government Code, deemed to be held in the Town's name).

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2: CASH AND INVESTMENTS (CONTINUED)Authorized Investments of the Town

The table below identifies the investment types that are authorized by the Town's investment policy.

| <u>Authorized Investment Category</u> | <u>Standard</u> |
|---------------------------------------|---|
| U.S. Government (Agency) Securities | 5 years |
| Federal Agency Obligations | 35% per issuer; 5 years |
| Banker's Acceptances | A-1/P-1/F-1 rated; 40% maximum; 5% per Issuer; 180 days |
| Commerical Paper | A-1/P-1/F-1 rated; and >A-rated long term ratings; 25% maximum; 5% per issuer; 270 days |
| Negotiable CDs | A-1/P-1/F-1 rated; 30% maximum; 5% per issuer; 5 years |
| CDs and Time Deposits | 30% maximum; 5% per issuer; 5 years |
| Passbook Deposits | 1 year |
| Medium-Term Notes | >A-rated; 30% maximum; 5% per issuer; 5 years |
| Money Market Accounts | AAA/Aaa rated; assets greater than \$500M; 20% maximum |
| Mortgage Pass | >AA-rated; 20% maximum; 5% per issuer; 1 year |
| Municipal Securities | >A-rated issuer; 30% maximum; 5% per Issuer, 5 years |
| Repurchase Agreements | A rated primary dealers; 30% maximum; 1 year |
| Supranationals | >AA-rated; 30% maximum; 5 years |
| LAIF | >\$75M |

At June 30, 2024, the Town had the following investments

| <u>Investment Category</u> | <u>Remaining Maturity</u> | | |
|-------------------------------------|---------------------------|----------------------|-----------------------|
| | <u>12 months or less</u> | <u>1-5 years</u> | <u>Fair Value</u> |
| U.S. Government (Agency) Securities | \$ 991,677 | \$ 2,900,740 | \$ 3,892,417 |
| U.S. Treasuries | 5,896,299 | 7,729,536 | 13,625,835 |
| Corporate Medium Term Notes | 2,245,223 | 6,836,478 | 9,081,701 |
| Asset Backed Securities | 304,451 | 2,911,653 | 3,216,104 |
| Supranationals | 860,089 | 691,743 | 1,551,832 |
| Commercial Paper | 340,999 | - | 340,999 |
| Collateralized Mortgage Obligations | - | 3,398,117 | 3,398,117 |
| Interest-bearing cash | 2,994 | - | 2,994 |
| Local Agency Investment Fund (LAIF) | <u>72,417,219</u> | <u>-</u> | <u>72,417,219</u> |
| Total investments | <u>\$ 83,058,951</u> | <u>\$ 20,378,407</u> | <u>\$ 107,527,218</u> |

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the amount of time to maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. All investments of the Town are invested in accordance with the investment policy of the Town. Of the Town's \$107,527,218 investment portfolio, 77% of the investments have a maturity of one year or less. Of the remainder, none has a maturity of more than five years. The Town had no investments that were highly sensitive to interest rate fluctuations as of June 30, 2024.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law and the Town's investment pool policy limit investments in commercial paper to the rating of A-1 by Standards & Pools or P-1 by Moody's Investor Service. State law also limits investments in corporate bonds to an A rating by both Standards & Poor's and Moody's Investors Service. The Town does not have credit limits on U.S. Government Securities or U.S. Government Agency Securities.

| <u>Investments at June 30, 2024</u> | <u>Total</u> | <u>Standard & Poor's Rating</u> | <u>% of portfolio</u> |
|--|-----------------------|---|---------------------------|
| Federal Home Loan Mortgage Corporation | \$ 724,775 | AA+ | 0.67 % |
| Federal Home Loan Bank | 1,863,420 | AA+ | 1.73 % |
| Federal Farm Credit Bank | 1,304,222 | AA+ | 1.21 % |
| US Treasuries | 10,852,155 | TSY | 10.09 % |
| US Treasury Bill | 2,773,680 | A-1+ | 2.58 % |
| Asset Backed Securities | 2,445,084 | AAA | 2.27 % |
| Asset Backed Securities | 771,020 | N/R | 0.72 % |
| Interest-bearing cash | 2,994 | AAAm | 0.003 % |
| Supranationals | 1,551,832 | AAA | 1.44 % |
| Corporate Obligations | 9,081,701 | A- to AAA | 8.45 % |
| Commercial Paper | 340,999 | A-1 | 0.32 % |
| Collateralized Mortgage Obligations | 2,984,797 | AA+ | 2.78 % |
| Collateralized Mortgage Obligations | 413,320 | AAA | 0.38 % |
| LAIF | <u>72,417,219</u> | Unrated | <u>67.35 %</u> |
| Total investments | <u>\$ 107,527,218</u> | | <u>100.0 %</u> |

Custodial Credit Risk

For an investment, custodial credit risk is the risk that the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the Town did not participate in any repurchase agreements or securities lending that would result in any possible risk in this area.

Concentration Credit Risk

Approximately 16.3% of the Town's investments at year-end are in the U.S. Government or Agencies issues. There is no limitation on the amounts invested in these types of issues. Of the 8.5% of the portfolio invested in corporate notes and money market funds, no investment in a single issuer exceeds 0.47% of the total portfolio.

Investment in Local Agency Fund

The Town is a voluntary participant in the State of California 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 Town's investment in this pool is reported in the accompanying financial statements at amounts based upon the Town's share of the fair value provided by LAIF for the entire 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.

On June 30, 2024, the Town's investment position in the LAIF was \$72,417,219. The total amount invested by all public agencies in LAIF on that day was \$21,974,159,649.

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized 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. Investments' fair value measurements on June 30, 2024, are as follows:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|-------------------------------------|----------------|----------------------|----------------|----------------------|
| US Government & Agency Securities | \$ - | \$ 17,518,252 | \$ - | \$ 17,518,252 |
| Medium Term Notes | - | 9,081,701 | - | 9,081,701 |
| Asset Backed Securities | - | 3,216,104 | - | 3,216,104 |
| Supranationals | - | 1,551,832 | - | 1,551,832 |
| Commercial Paper | - | 340,999 | - | 340,999 |
| Collateralized Mortgage Obligations | - | 3,398,117 | - | 3,398,117 |
| Interest-bearing cash | - | <u>2,994</u> | - | <u>2,994</u> |
| | <u>\$ -</u> | <u>\$ 35,109,999</u> | <u>\$ -</u> | <u>\$ 35,109,999</u> |
| LAIF | | <u>72,417,219</u> | | |
| Total investments | | <u>107,527,218</u> | | |

Debt and equity securities categorized as Level 1 are valued based on prices quoted in active markets for those securities. Debt securities categorized as Level 2 are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.

NOTE 3: LOANS RECEIVABLE

The loans receivable balance includes notes for down payment assistance and for the purchase of land and construction of Frishman Hollow, Frishman Hollow II, Henness Flats, and Artist Lofts low/very low-income housing complexes. Loans were funded by various grants and developer contributions.

Loans in the governmental funds are treated as expenditures in the year advanced and as revenue in the year repayment is made measurable and available. Loans receivable are recorded in the fund statements but are reported as deferred inflows of resources to indicate that they do not represent current financial resources. In the government-wide statements, loans receivable are recorded at their net realizable value.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4: LEASES RECEIVABLE

The Town is reporting leases receivable of \$425,337 at June 30, 2024. For the year ended June 30, 2024, the Town reported lease revenue of \$172,558 and interest revenue of \$3,466 related to lease payments received for the following agreements:

On July 1, 2021, Town of Truckee, CA entered into a 66-month lease as Lessor for the use of Truckee Chamber of Commerce. As of June 30, 2024, the value of the lease receivable is \$47,075. The lessee is required to make monthly fixed payments of \$1,583 until December 31, 2024. The value of the deferred inflow of resources as of June 30, 2024, was \$45,681. The lessee has 1 extension option, for 36 months. During the extension period the base lease payment shall be increased annually by a percentage equal to the most recent year-over-year percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco/Oakland/Hayward area.

On July 1, 2021, Town of Truckee, CA entered into a 67-month lease as Lessor for the use of Truckee North Tahoe Transportation Management Association (TNT/TMA). As of June 30, 2024, the value of the lease receivable is \$18,644. The lessee is required to make monthly fixed payments of \$5,928 for the period January 31, 2024. The lease has an interest rate of 0.7030%. The value of the deferred inflow of resources as of June 30, 2024 was \$17,988. The lessee has 1 extension option, for 36 months. During the extension period the base lease payment shall be increased annually by a percentage equal to the most recent year-over-year percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco/Oakland/Hayward area.

On July 1, 2021, Town of Truckee, CA entered into a 102-month lease as Lessor for the use of Nevada County Supervisor. As of June 30, 2024, the value of the lease receivable is \$61,466. The lessee is required to make monthly fixed payments of \$960 until December 31, 2024. The value of the deferred inflow of resources as of June 30, 2024, was \$60,015. The lessee has 1 extension option, for 48 months. During the extension period the base lease payment shall be increased annually by a percentage equal to the most recent year-over-year percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco/Oakland/Hayward area.

On July 1, 2021, Town of Truckee, CA entered into a 30-month lease as Lessor for the use of Sierra Business Council. As of June 30, 2024, the value of the lease receivable is \$52,530. The lessee is required to make monthly fixed payments of \$2,852 until December 31, 2023. The lease has an interest rate of 0.3150%. The value of the deferred inflow of resources as of June 30, 2024, was \$52,473. The lessee has 1 extension option, for 36 months. On January 1, 2024, the extension option was exercised. During the extension period the base lease payment shall be increased annually by a percentage equal to the most recent year-over-year percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco/Oakland/Hayward area.

On July 1, 2021, Town of Truckee, CA entered into a 34-month lease as Lessor for the use of Truckee History Railroad Museum. As of June 30, 2024, the value of the lease receivable is \$10,783. The lessee was required to make monthly fixed payments of \$1,154 to April 30, 2024. A new 12-month lease was entered into on May 1, 2024, which required fixed payments of \$613. The value of the deferred inflow of resources as of June 30, 2024, was \$10,783.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4: LEASES RECEIVABLE (CONTINUED)

On July 1, 2021, Town of Truckee, CA entered into a 69-month lease as Lessor for the use of California Department of Transportation (CalTrans). As of June 30, 2024, the value of the lease receivable is \$203,468. The lessee is required to make monthly fixed payments of \$6,227 to March 31, 2024. The value of the deferred inflow of resources as of June 30, 2024, was \$198,111. The lessee had 1 extension option, for 48 months. On April 1, 2024, the extension option was exercised. During the extension period the base lease payment shall be increased annually by a percentage equal to the most recent year-over-year percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco/Oakland/Hayward area. The lessee had a termination period of 21 months as of the lease commencement. Town of Truckee, CA had a termination period of 21 months as of the lease commencement.

On April 1, 2022, Town of Truckee, CA entered into a 24-month lease as Lessor for the use of Mountain Arts Collective. As of June 30, 2024, the value of the lease receivable is \$31,968. The lessee is required to make monthly fixed payments of \$1,486 to March 31, 2024. The value of the deferred inflow of resources as of June 30, 2024, was \$31,934. The lessee has 1 extension option, for 12 months. During the extension period the lessee is required to make monthly fixed payments of \$1,608. On April 1, 2024, the extension option was exercised.

Future payments due to the Town under the non-cancelable agreements are as follows for the years ended June 30:

| <u>For the Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|--------------------------|------------------------|--------------------------|
| 2025 | \$ 173,122 | \$ 2,568 | \$ 175,690 |
| 2026 | 143,179 | 1,423 | 144,602 |
| 2027 | 80,638 | 570 | 81,208 |
| 2028 | 11,266 | 254 | 11,520 |
| 2029 | 11,390 | 130 | 11,520 |
| 2030 | <u>5,742</u> | <u>18</u> | <u>5,760</u> |
| Total | \$ <u>425,337</u> | \$ <u>4,963</u> | \$ <u>430,300</u> |

The Town has recorded a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2024, the balance of the deferred inflow of resources was \$416,985.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 5: INTERFUND TRANSACTIONS

The composition of interfund balances as of June 30, 2024 was as follows:

Due to/from Other Funds

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Description</u> | <u>Amount</u> |
|--------------------------|---------------------|-------------------------|--------------------------|
| General Fund | Transit Fund | Overdrawn cash balances | \$ <u>324,125</u> |
| Total Due to/From | | | \$ <u>324,125</u> |

Interfund Transfers to/from Other Funds

Transfers between funds during the fiscal year ended June 30, 2024 were as follows:

| <u>Transfer from</u> | <u>Transfer To</u> | <u>Amount</u> |
|---|--------------------------|-----------------------------|
| <u>Governmental Funds</u> | | |
| General Fund | Capital Projects | \$ 10,564,481 |
| General Fund | Debt Service | 930,449 |
| Town Bond Reserve | Debt Service | 18,536 |
| Measure R Trails | Capital Projects | 3,948,329 |
| Traffic Impact Fees | Capital Projects | 214,006 |
| Measure V Road Maintenance | Capital Projects | 1,283,928 |
| Town Special Services Areas | Capital Projects | 660,643 |
| Other Governmental Funds | Other Governmental Funds | 185,770 |
| Other Governmental Funds | General Fund | 3,534,678 |
| Other Governmental Funds | Capital Projects | <u>(617,542)</u> |
| Total Governmental Interfund Transfers | | <u>20,723,278</u> |
| <u>Proprietary Funds</u> | | |
| Parking | Capital Projects | \$ 51,461 |
| Transit | Capital Projects | 824,500 |
| Solid Waste | Capital Projects | 140,091 |
| Building | Capital Projects | <u>2,251</u> |
| Total Proprietary Interfund Transfers | | <u>1,018,303</u> |
| Total Interfund Transfers | | \$ <u>21,741,581</u> |

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6: CAPITAL ASSETS**Governmental activities:**

| | <u>Balance at July 1, 2023</u> | <u>Additions</u> | <u>Retirements</u> | <u>Transfers</u> | <u>Balance at June 30, 2024</u> |
|--|------------------------------------|-----------------------------|--------------------|---------------------|-------------------------------------|
| Capital assets not being depreciated | | | | | |
| Land | \$ 9,407,257 | \$ - | \$ - | \$ - | \$ 9,407,257 |
| Right of way | 57,487,179 | - | - | - | 57,487,179 |
| Construction-in-progress | <u>22,521,824</u> | <u>20,324,748</u> | <u>-</u> | <u>(18,195,276)</u> | <u>24,651,296</u> |
| Total capital assets not being depreciated | <u>89,416,260</u> | <u>20,324,748</u> | <u>-</u> | <u>(18,195,276)</u> | <u>91,545,732</u> |
| Capital assets being depreciated | | | | | |
| Buildings and improvements | 46,216,736 | - | - | - | 46,216,736 |
| Equipment | 25,025,614 | 1,861,416 | (684,382) | - | 26,202,648 |
| Right-to-use assets (SBITA) | 644,612 | 463,387 | (18,831) | - | 1,089,168 |
| Infrastructure | <u>146,363,344</u> | <u>-</u> | <u>-</u> | <u>18,195,276</u> | <u>164,558,620</u> |
| Total capital assets being depreciated | <u>218,250,306</u> | <u>2,324,803</u> | <u>(703,213)</u> | <u>18,195,276</u> | <u>238,067,172</u> |
| Less accumulated depreciation | | | | | |
| Buildings and improvements | (10,766,760) | (1,106,369) | - | - | (11,873,129) |
| Equipment | (15,339,309) | (1,634,068) | 684,382 | - | (16,288,995) |
| Right-to-use assets (SBITA) | (110,494) | (320,936) | 18,831 | - | (412,599) |
| Infrastructure | <u>(71,581,993)</u> | <u>(7,204,527)</u> | <u>-</u> | <u>-</u> | <u>(78,786,520)</u> |
| Total accumulated depreciation | <u>(97,798,556)</u> | <u>(10,265,900)</u> | <u>703,213</u> | <u>-</u> | <u>(107,361,243)</u> |
| Total Capital Assets, Net | <u>\$209,868,010</u> | <u>\$ 12,383,651</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 222,251,661</u> |

Depreciation was charged to functions based on their usage of the related assets as follows:

Governmental Activities:

| | |
|--|-----------------------------|
| General government | \$ 808,285 |
| Public safety | 453,520 |
| Parks works | <u>9,004,095</u> |
| Total governmental activities depreciation expense | <u>\$ 10,265,900</u> |

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6: CAPITAL ASSETS (CONTINUED)**Business-type activities:**

| | <u>Balance at July 1, 2023</u> | <u>Additions</u> | <u>Retirements</u> | <u>Transfers</u> | <u>Balance at June 30, 2024</u> |
|--|------------------------------------|---------------------------|--------------------|--------------------|-------------------------------------|
| Capital assets being depreciated | | | | | |
| Buildings and improvements | \$ 347,113 | \$ - | \$ - | \$ - | \$ 347,113 |
| Equipment | 1,098,544 | 52,634 | - | - | 1,151,178 |
| Right-to-use assets (SBITA) | <u>-</u> | <u>15,123</u> | <u>-</u> | <u>-</u> | <u>15,123</u> |
| Total capital assets being depreciated | <u>1,445,657</u> | <u>67,757</u> | <u>-</u> | <u>-</u> | <u>1,513,414</u> |
| Less accumulated depreciation | | | | | |
| Buildings and improvements | (231,311) | (14,969) | - | - | (246,280) |
| Equipment | (835,474) | (101,765) | - | - | (937,239) |
| Right-to-use assets (SBITA) | <u>-</u> | <u>(1,410)</u> | <u>-</u> | <u>-</u> | <u>(1,410)</u> |
| Total accumulated depreciation | <u>(1,066,785)</u> | <u>(118,144)</u> | <u>-</u> | <u>-</u> | <u>(1,184,929)</u> |
| Total Capital Assets, Net | <u>\$ 378,872</u> | <u>\$ (50,387)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 328,485</u> |

Depreciation expense was charged to functions/programs of the Town's business-type activities as follows:

| | |
|---|--------------------------|
| Parking | \$ 17,968 |
| Transit | 80,891 |
| Solid Waste | 4,815 |
| Building & Safety | <u>14,470</u> |
| Total business-type activities depreciation expense | <u>\$ 118,144</u> |

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: LONG-TERM LIABILITIES

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

| | <u>Balance at July 1, 2023</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance June 30, 2024</u> | <u>Current Portion</u> |
|---|------------------------------------|---------------------|-----------------------|----------------------------------|----------------------------|
| Governmental activities: | | | | | |
| Compensated Absences | \$ 2,018,236 | \$ 1,458,724 | \$ (1,127,384) | \$ 2,349,576 | \$ 965,757 |
| Lease Revenue Refunding Bonds Series 2015 | 2,667,000 | - | (301,000) | 2,366,000 | 312,000 |
| Lease Revenue Refunding Bonds Series 2017 | 3,730,000 | - | (170,000) | 3,560,000 | 175,000 |
| Add Issuance Premium | 173,050 | - | (10,541) | 162,509 | 10,542 |
| Lease Revenue Bonds Series 2019 | 4,515,000 | - | (150,000) | 4,365,000 | 155,000 |
| Add Issuance Premium | 241,310 | - | (11,572) | 229,738 | 11,572 |
| Subscription-based Information Technology Arrangements | <u>389,079</u> | <u>435,925</u> | <u>(362,583)</u> | <u>462,421</u> | <u>287,231</u> |
| Total Governmental activities | <u>\$ 13,733,675</u> | <u>\$ 1,894,649</u> | <u>\$ (2,133,080)</u> | <u>\$ 13,495,244</u> | <u>\$ 1,917,102</u> |

| | <u>Balance at July 1, 2023</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance June 30, 2024</u> | <u>Current Portion</u> |
|---|------------------------------------|-------------------|--------------------|----------------------------------|----------------------------|
| Business-type activities: | | | | | |
| Compensated Absences | \$ 118,498 | \$ 96,812 | \$ (85,264) | \$ 130,046 | \$ 76,597 |
| Subscription-based Information Technology Arrangements | <u>-</u> | <u>15,233</u> | <u>(5,220)</u> | <u>10,013</u> | <u>4,947</u> |
| Total Business-type activities | <u>\$ 118,498</u> | <u>\$ 112,045</u> | <u>\$ (90,484)</u> | <u>\$ 140,059</u> | <u>\$ 81,544</u> |

A description of the long-term liabilities related to governmental activities at June 30, 2024 follows:

A. Governmental ActivitiesLease Revenue Refunding Bonds Series 2015

In 2015, the Town issued Series 2015 Lease Revenue Refunding Bonds with a face value of \$4,645,000. The bonds bear an interest rate of 2.82% and are payable annually on November 1 each year, commencing. The maturity date of the bonds is November 1, 2030. The annual debt service requirements to amortize the bonds are as follows:

| <u>Lease Revenue Refunding Bonds Series 2015</u> | | | |
|--|---------------------|-------------------|---------------------|
| <u>For the Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2025 | \$ 312,000 | \$ 62,388 | \$ 374,388 |
| 2026 | 323,000 | 53,425 | 376,425 |
| 2027 | 329,000 | 44,222 | 373,222 |
| 2028 | 338,000 | 34,807 | 372,807 |
| 2029 | 343,000 | 25,195 | 368,195 |
| 2030 - 2031 | <u>721,000</u> | <u>20,481</u> | <u>741,481</u> |
| Total | <u>\$ 2,366,000</u> | <u>\$ 240,518</u> | <u>\$ 2,606,518</u> |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7: LONG-TERM LIABILITES (CONTINUED)

Lease Revenue Refunding Bonds Series 2017

In 2017, the Town issued Series 2017 Lease Revenue Refunding Bonds with a face value of \$4,265,000. The bonds bear an interest rate of 2.84% and are payable annually on December 1 each year, commencing. The maturity date of the bonds is December 1, 2039. The annual debt service requirements to amortize the bonds are as follows:

| Lease Revenue Refunding Bonds Series 2017 | | | |
|--|------------------|-----------------|--------------|
| For the Year Ending June 30, | Principal | Interest | Total |
| 2025 | \$ 175,000 | \$ 115,294 | \$ 290,294 |
| 2026 | 185,000 | 106,293 | 291,293 |
| 2027 | 195,000 | 96,793 | 291,793 |
| 2028 | 200,000 | 88,919 | 288,919 |
| 2029 | 205,000 | 80,794 | 285,794 |
| 2030 - 2034 | 1,105,000 | 306,904 | 1,411,904 |
| 2035 - 2039 | 1,230,000 | 136,741 | 1,366,741 |
| 2040 | 265,000 | 4,141 | 269,141 |
| Total | \$ 3,560,000 | \$ 935,879 | \$ 4,495,879 |

Lease Revenue Bonds Series 2019

In 2019, the Town issued Series 2019 Lease Revenue Bonds with a face value of \$4,920,000. The bonds bear an interest rate of 2.65% and are payable annually on May 1 each year, commencing. The maturity date of the bonds is May 1, 2044. The annual debt service requirements to amortize the bonds are as follows:

| Lease Revenue Bonds Series 2019 | | | |
|---|------------------|-----------------|--------------|
| For the Year Ending June 30, | Principal | Interest | Total |
| 2025 | \$ 155,000 | \$ 126,375 | \$ 281,375 |
| 2026 | 165,000 | 118,625 | 283,625 |
| 2027 | 170,000 | 110,375 | 280,375 |
| 2028 | 180,000 | 101,875 | 281,875 |
| 2029 | 190,000 | 92,875 | 282,875 |
| 2030 - 2034 | 1,040,000 | 375,188 | 1,415,188 |
| 2035 - 2039 | 1,155,000 | 254,932 | 1,409,932 |
| 2040 - 2044 | 1,310,000 | 103,918 | 1,413,918 |
| Total | \$ 4,365,000 | \$ 1,284,163 | \$ 1,410,125 |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7: LONG-TERM LIABILITES (CONTINUED)Subscriptions (SBITAs)

The Town has entered into SBITAs involving various software subscriptions. The total of the Town's SBITA assets are recorded at a cost of \$1,089,168 less accumulated amortization of \$412,599.

Future debt service payments on the SBITAs are as follows:

| Subscriptions (SBITAs) | | | |
|---|--------------------------|-------------------------|--------------------------|
| For the Year Ending June 30, | Principal | Interest | Total |
| 2025 | \$ 287,231 | \$ 12,813 | \$ 300,044 |
| 2026 | 104,893 | 5,273 | 110,166 |
| 2027 | 25,361 | 2,301 | 27,662 |
| 2028 | 26,241 | 1,422 | 27,663 |
| 2029 | <u>18,695</u> | <u>511</u> | <u>19,206</u> |
| Total | \$ <u>462,421</u> | \$ <u>22,320</u> | \$ <u>484,741</u> |

Total Governmental Activities Long-Term Liabilities Amortization

| Total Governmental Activities | | | |
|---|-----------------------------|----------------------------|-----------------------------|
| For the Year Ending June 30, | Principal | Interest | Total |
| 2025 | \$ 929,231 | \$ 316,870 | \$ 1,246,101 |
| 2026 | 777,893 | 283,616 | 1,061,509 |
| 2027 | 719,361 | 253,691 | 973,052 |
| 2028 | 744,241 | 227,023 | 971,264 |
| 2029 | 756,695 | 199,375 | 956,070 |
| 2030 - 2034 | 2,866,000 | 702,573 | 3,568,573 |
| 2035 - 2039 | 2,385,000 | 391,673 | 2,776,673 |
| 2040 - 2044 | <u>1,575,000</u> | <u>108,059</u> | <u>1,683,059</u> |
| Total | \$ <u>10,753,421</u> | \$ <u>2,482,880</u> | \$ <u>13,236,301</u> |

B. Business-type ActivitiesSubscriptions (SBITAs)

The Town has entered into SBITAs involving various software subscriptions. The total of the Town's SBITA assets are recorded at a cost of \$15,123 less accumulated amortization of \$1,410.

Future debt service payments on the SBITAs are as follows:

| Subscriptions (SBITAs) | | | |
|---|-------------------------|----------------------|-------------------------|
| For the Year Ending June 30, | Principal | Interest | Total |
| 2025 | \$ 4,947 | \$ 243 | \$ 5,190 |
| 2026 | <u>5,066</u> | <u>124</u> | <u>5,190</u> |
| Total | \$ <u>10,013</u> | \$ <u>367</u> | \$ <u>10,380</u> |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plans

Plan Description

All qualified regular and probationary employees are eligible to participate in the Town's Safety (sworn police) and Miscellaneous (all other employees) Employee Pension Plan (the Plan), cost sharing, multiple-employer defined-benefit pension plan administered by the California Public Employee's Retirement System (CalPERS). Benefit provisions under the Plan are established by State Statute and Local Government 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 or a beneficiary. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five or more years of total service are eligible to retire at age 50 with or without statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is Optional Settlement 2W Death Benefit. The cost-of-living adjustments are applied as specified by the California Public Employee's Retirement Law (PERL). The 2.7% at 55 Miscellaneous Plan and the 3.0% at 50 Safety Plan are closed to new entrants.

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

| Hire Date | Miscellaneous | | |
|---|----------------------------------|---|--|
| | Prior to July 1, 2011 | Between July 1, 2011 and December 31, 2012 | On or After December 31, 2012 |
| Benefit Formula | Tier I 2.7% @ 55 | Tier II 2.5% @ 55 | Tier III 2.0% @ 62 |
| Benefit Vesting Schedule | 5 years service | 5 years service | 5 years service |
| Benefit Payments | monthly for life | monthly for life | monthly for life |
| Retirement Age | 50 - 55 | 50 - 55 | 52 and up |
| Monthly Benefits, as a % of Eligible Compensation | 2.00 - 2.70% | 2.50% | 2.00% |
| Required Employee Contribution Rate | 7.96% | 7.96% | 7.25% |
| Required Employer Contribution Rate | 16.87% | 14.20% | 8.00% |
| Required UAL Contribution | \$917,708 | \$0 | \$0 |
| | Safety | | |
| Hire Date | Prior to July 1, 2011 | Between July 1, 2011 and December 31, 2012 | On or After December 31, 2012 |
| Benefit Formula | Tier I 3.0% @ 50 | Tier II 3.0% @ 55 | Tier III 2.7% @ 57 |
| Benefit Vesting Schedule | 5 years service | 5 years service | 5 years service |
| Benefit Payments | monthly for life | monthly for life | monthly for life |
| Retirement Age | 50 and up | 50 and up | 50 and up |
| Monthly Benefits, as a % of Eligible Compensation | 3.0% | 3.0% | 2.70% |
| Required Employee Contribution Rate | 8.99% | 8.99% | 14.50% |
| Required Employer Contribution Rate | 29.09% | 24.79% | 14.50% |
| Required UAL Contribution | \$348,827 | \$0 | \$5,071 |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions

The Plan requires employee contributions equal to some percentage of the employee's annual covered salary. The Town has a variety of agreements regarding these employee contributions to the CalPERS retirement program. These agreements must be ratified by the Town Council. Section 20814 (c) of the PERL requires that the employer contribution rates for all public employers to be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Fund contributions for the Plan 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 Town is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The Town's contributions to the Plan for the year ending June 30, 2024 were \$3,193,087.

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

As of June 30, 2024, the Town reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$20,830,659. Of this total, \$19,663,656 was reported in governmental activities and \$1,167,003 was reported in business-type activities.

The Town's net pension liability for the Plan 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 for 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 Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Town's proportionate share of the net pension liability for the Plan as of June 30, 2024 and 2023 (measurement periods) was as follows:

| | |
|------------------------------|----------|
| Proportion - June 30, 2023 | 0.16265% |
| Proportion - June 30, 2024 | 0.16697% |
| Change - Increase (Decrease) | 0.00432% |

For the year ended June 30, 2024, the Town recognized pension expense of \$4,689,921. At June 30, 2024, the Town 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 | \$ 3,193,087 | \$ - |
| Difference between actual contributions made by employer and the employer's proportionate share of the risk pool's total contribution | 67,197 | 529,174 |
| Differences between actual and expected experience | 1,200,513 | 155,065 |
| Changes in assumptions | 1,245,354 | - |
| Adjustment due to differences in proportions | 959,609 | - |
| Net differences between projected and actual earnings on plan investments | <u>3,219,655</u> | <u>-</u> |
| Total | <u>\$ 9,885,415</u> | <u>\$ 684,239</u> |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$3,193,087 reported as deferred outflows of resources related to contributions subsequent to the measurement date 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>Year Ended June 30,</u> | | |
|--------------------------------|----|-----------|
| 2025 | \$ | 1,999,339 |
| 2026 | | 1,335,523 |
| 2027 | | 2,581,490 |
| 2028 | | 91,737 |

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% |
| Salary Increases | Varies by Entry Age and Service |
| Investment Rate of Return | 6.90% 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 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter |

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using the Society of Actuaries 80 percent scale MP 2020. For more details on this table, please refer to the 2021 experience study report (based on CalPERS demographic data from 2000 to 2019) that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the fiscal years 2000 to 2019, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Changes in Assumptions

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.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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.

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 cash flows. Using historical returns of all of the funds' asset classes, 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 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. 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 (a)</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 Corporate | 10.00% | 1.56% |
| Emerging Market Debt | 5.00% | 2.48% |
| High Yield | 5.00% | 2.27% |
| Private Debt | 5.00% | 3.57% |
| Real Assets | 15.00% | 3.21% |
| Leverage | -5.00% | -0.59% |

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

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

The following presents the Town's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Town'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:

| | Discount Rate -1% (5.90%) | Current Discount Rate (6.90%) | Discount Rate +1% (7.90%) |
|-----------------------|------------------------------|----------------------------------|------------------------------|
| Net Pension Liability | \$ <u>32,702,462</u> | \$ <u>20,830,659</u> | \$ <u>11,079,159</u> |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (OPEB)

Description of the Plan

The Town has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multiple-employer defined-benefit retiree healthcare plan. The HC Plan provides employees who retire directly from the Town, at a minimum age of 50, with a minimum of five years of service, the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum benefit under the "unequal method". Monthly PEMHCA minimum contribution for active employees in 2023 was \$151 and determined to be \$157 in 2024. The Town's payment toward retiree premiums is the minimum monthly amount permitted under PEHMCA, which is not less than 5% of the active contribution times the number of years the Town has been in PEHMCA. The Town joined PEMHCA in 2012. The Town's contribution for retirees was \$83.05 in 2023 and projected to be \$92.20 in 2024. Surviving spouses of retirees who elect the survivorship benefit are also eligible for this benefit. A separate financial report is not prepared for the HC Plan.

Employees Covered

As of the June 30, 2023 measurement date, the following current and former employees were covered by the benefit terms under the Health Plan:

| | |
|---|-----------|
| Active plan members | 138 |
| Inactive plan members or beneficiaries currently receiving benefit payments | 77 |
| Inactive plan members entitled to, but not yet receiving benefits | <u>52</u> |
| Total | <u>20</u> |

Contributions

The Town makes contributions based on an actuarially determined rate. For the year ended June 30, 2024, the Town's cash contributions were \$169,999 in payments to the trust, \$22,096 in cash payments for retiree health insurance, \$939 for non-trust administrative expenses, and the estimated implied subsidy of \$54,000 resulting in payments of \$247,034. In fiscal year 2012, the Town created a trust with California Employers' Retiree Benefit Trust (CERBT) for the purpose of prefunding obligations for past services.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability

The Town's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2023 based on the following assumptions:

| | |
|--|--|
| Discount Rate | 5.25% |
| Long Term Return on Assets | 5.25% |
| General Inflation | 2.50% per annually |
| Contribution Policy | Town contributes full ADC |
| Mortality, Retirement, Disability, Termination | CalPERS 2000-2019 Experience Study |
| Mortality Improvement | Mortality projected fully generational with Scale MP-2021 |
| Salary Increases | Aggregate 2.75% annually |
| Medical Trend | Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 PEMHCA - minimum increases: 3.50% annually |
| Healthcare Participation for Future Retirees | 50% of all future retirees will elect coverage |
| Spousal Coverage | Future Retirees: 60% at retirement Retirees: Same as current election |

Changes in Assumptions

For the measurement period ending June 30, 2023, the PEMHCA rate changed from 4.00% to 3.50%, the Non-Medicare rate changed from 6.50% to 8.50%, and the Medicare rate changed from 5.65% to 7.50%.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.25 percent. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Expected Long-term Return on Trust Assets

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Expected Real Rate of Return</u> |
|---------------------------------------|--------------------------|-------------------------------------|
| Global Equity | 23% | 4.56% |
| Fixed Income | 51% | 1.56% |
| TIPS | 9% | -0.08% |
| Commodities | 3% | 1.22% |
| REITS | 14% | 4.06% |
| Assumed Long-Term Rate of Inflation | | 2.50% |
| Expected Long-Term Net Rate of Return | | 5.25% |

Changes in the Net OPEB Liability

The changes in the net OPEB liability for the health care plan are as follows:

| | <u>Total OPEB Liability (a)</u> | <u>Fiduciary Net Position (b)</u> | <u>Net OPEB Liability (a) - (b)</u> |
|---|-------------------------------------|---------------------------------------|---|
| Balance at July 1, 2023 | \$ 2,620,241 | \$ 1,406,516 | \$ 1,213,725 |
| Changes recognized for the measurement period: | | | |
| Service cost | 166,829 | - | 166,829 |
| Interest | 144,352 | - | 144,352 |
| Assumption changes | (82,577) | - | (82,577) |
| Difference between expected and actual experience | (285,032) | - | (285,032) |
| Net investment income | - | 25,569 | (25,569) |
| Benefit payments | (75,046) | (75,046) | - |
| Administrative expenses | - | (1,292) | 1,292 |
| Employer contributions | - | 256,419 | (256,419) |
| Net changes | <u>(131,474)</u> | <u>205,650</u> | <u>(337,124)</u> |
| Balance at June 30, 2024 | <u>\$ 2,488,767</u> | <u>\$ 1,612,166</u> | <u>\$ 876,601</u> |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the net OPEB liability of the Town if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended July 1, 2023:

| | <u>Discount Rate -1%</u> <u>(4.25%)</u> | <u>Current Discount Rate</u> <u>(5.25%)</u> | <u>Discount Rate +1%</u> <u>(6.25%)</u> |
|--------------------|--|--|--|
| Net OPEB Liability | \$ <u>1,232,589</u> | \$ <u>876,601</u> | \$ <u>582,723</u> |

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

| | <u>1% Decrease</u> | <u>Current Healthcare</u> <u>Cost Trend Rate</u> | <u>1% Increase</u> |
|--------------------|--------------------|---|---------------------|
| Net OPEB Liability | \$ <u>531,289</u> | \$ <u>876,601</u> | \$ <u>1,310,331</u> |

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the Town recognized OPEB expense of \$238,818. As of fiscal year ended June 30, 2024, the Town reported the following deferred outflows of resources and deferred inflows of resources related to OPEB:

| | <u>Deferred</u> <u>Outflows of</u> <u>Resources</u> | <u>Deferred</u> <u>Inflows of</u> <u>Resources</u> |
|---|---|--|
| OPEB contributions subsequent to the measurement date | \$ 247,034 | \$ - |
| Differences between actual and expected experience | 353,300 | 280,842 |
| Changes in assumptions | 88,001 | 286,640 |
| Net differences between projected and actual earnings on plan investments | <u>146,424</u> | <u>-</u> |
| Total | \$ <u>834,759</u> | \$ <u>567,482</u> |

\$247,034 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

| <u>Year Ended</u> <u>June 30,</u> | |
|--------------------------------------|-----------|
| 2025 | \$ 53,483 |
| 2026 | 55,089 |
| 2027 | 73,167 |
| 2028 | 26,004 |
| 2029 | 15,330 |
| Thereafter | (202,830) |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10: RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town joined with other municipalities to participate in the California Intergovernmental Risk Authority (CIRA) for general liability, vehicle liability, errors and omissions, workers' compensation, and employers' liability purposes. CIRA is a public entity risk pool that serves as a common risk management and insurance program. CIRA is under the control and direction of a nine-member executive committee consisting of representatives from 35 member entities. The Town pays an annual premium to CIRA for its insurance coverage. The agreements with CIRA provide that the risk pool will be self-sustaining through member premiums and will reinsure through commercial companies for excess coverage.

The Town is liable for self-insured retention (SIR) or deductible in the amount of \$50,000 for a liability claim and \$25,000 for a worker's compensation claim. Three times each SIR has been restricted, as part of the General Fund balance should a claim occur.

Complete, audited financial statements for CIRA can be obtained via mail at 2330 East Bidwell, Suite 150, Folsom, CA 95630.

The Town continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance in any of the past three fiscal years.

There is no claims liability to be reported based on the requirements of Governmental Accounting Standards Board Statement No. 10. Statement No. 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

NOTE 11: CONTINGENCIES AND COMMITMENTS

Construction and Other Commitments

The Town has signed agreements for \$41,321,131 in various constructions projects that were not complete as of June 30, 2024. Construction completed and paid subsequent to June 30, 2024, on these projects was \$833,760. The Town has also signed agreements for construction projects subsequent to June 30, 2024, in the amount of \$1,292,862, of which \$1,159,908 was constructed and paid by August 2024.

Contingent Liabilities

Amounts received from grant agencies or receivables for grant funds are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability for the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12: FIDUCIARY FUND

The Town of Truckee Redevelopment Agency (“the Agency”) was organized under the State of California Community Redevelopment Law. The governing body was substantially the same as the primary government and the Town and its component units were financially interdependent, hence the unit had been presented by blending with the primary government. The Agency was dissolved as of January 31, 2012, and therefore is no longer reported as a component unit. The Town no longer issues separate financial statements for the Agency or its successor. The Redevelopment Successor Agency is reported as a fiduciary fund in the financial statements.

Cash and Investments

Total cash and investments, as of June 30, 2024, of the Agency at fair value are comprised of the following:

| | | |
|---------------------------|----|---------|
| Investments: | | |
| With fiscal agents | \$ | 981,901 |
| Total investments | | 981,901 |
| Total cash and investment | \$ | 981,901 |

Deposits

The California Government Code requires California banks and savings and loan associations to collateralize an Agency’s deposits by pledging government securities. The market value of pledged securities must equal at least 110% of an Agency’s deposits. California law also allows financial institutions to collateralize Agency deposits by pledging first trust deed mortgage notes having a value of 150% of an Agency’s total deposits. The Agency may waive collateral requirements for deposits, which are fully insured up to \$250,000 by Federal Deposit insurance.

Investments

The Agency's bond proceeds investment policy authorized investments include:

| Investment Category | Standard |
|------------------------------------|-----------------------------|
| Treasury Issues | No limitations |
| Government sponsored agency issues | No limitations |
| Bankers's acceptances | A-1 and P-1 rated or better |
| Commercial paper | A-1 and P-1 rated or better |
| Money market mutual funds | Aaa or AAA rated |
| Investment agreements | Not currently used |
| Repurchase agreements | Not currently used |
| LAIF | No limitations |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12: FIDUCIARY FUND (CONTINUED)

As of June 30, 2024, the Agency had the following investments:

| <u>Investment category</u> | <u>Maturities</u> | | | <u>Fair Value</u> | <u>Weighted Average Maturity (years)</u> |
|------------------------------|-------------------|--------------------|---------------------|-------------------|--|
| | <u>0 - 1 year</u> | <u>1 - 5 years</u> | <u>Over 5 years</u> | | |
| Local Agency Investment Fund | \$ <u>981,901</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>981,901</u> | \$ <u>-</u> |
| Total Investments | \$ <u>981,901</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>981,901</u> | \$ <u>-</u> |

Interest Rate Risk

Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer there is until the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. All investments of the Agency are invested in accordance with the investment policies of the Agency. Of the Agency's \$981,901 investment portfolio, 100% of the investments have a maturity of one year or less. The Agency had no investments that were highly sensitive to interest rate fluctuations as of June 30, 2024.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law and Agency investment pool policy limits investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. The Agency does not have credit limits on U.S. Government securities or U.S. Government agency securities.

Custodial Credit Risk

Custodial credit risk is the risk of loss associated with holding investments that are not covered by depository insurance. At year-end, the Agency did not participate in any repurchase agreements or securities lending that would result in any possible risk in this area.

Concentration of Credit Risk

None of the portfolio was invested in U.S. Government or Agencies issues, corporate notes, or money market funds as of June 30, 2024.

Investment in Local Agency Investment Fund

The Agency is a voluntary participant in California's 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 Agency's investment in this pool is reported in the accompanying financial statements at amounts based upon the Agency's share of the fair value provided by LAIF for the entire 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 at amortized cost basis.

As of June 30, 2024, the Agency's investment position in LAIF was \$981,901. The total amount invested by all public agencies in LAIF on that day was \$21,974,159,650.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12: FIDUCIARY FUND (CONTINUED)Notes Receivable

Notes receivable include notes for economic development, improvements to the former Redevelopment Project area, historical preservation, and down-payment assistance.

Notes receivables are recorded at their net realizable value.

Capital Assets**Fiduciary activities:**

| | <u>Balance at July 1, 2023</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance at June 30, 2024</u> |
|--|------------------------------------|------------------|--------------------|-------------------------------------|
| Capital assets being depreciated | | | | |
| Buildings and improvements | \$ 67,440 | \$ - | \$ - | \$ 67,440 |
| Equipment | <u>150,376</u> | <u>-</u> | <u>-</u> | <u>150,376</u> |
| Total capital assets being depreciated | <u>217,816</u> | <u>-</u> | <u>-</u> | <u>217,816</u> |
| Less accumulated depreciation | | | | |
| Buildings and improvements | (67,440) | - | - | (67,440) |
| Equipment | <u>(150,376)</u> | <u>-</u> | <u>-</u> | <u>(150,376)</u> |
| Total accumulated depreciation | <u>(217,816)</u> | <u>-</u> | <u>-</u> | <u>(217,816)</u> |
| Total Capital Assets, Net | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Depreciation

There were no depreciation expense for the year ended June 30, 2024, as all assets of the Redevelopment Successor Agency have been fully depreciated.

Long-term Liabilities

The following is a summary of all long-term liabilities activity for the fiscal year ended June 30, 2024:

| | <u>Balance at July 1, 2023</u> | <u>Additions</u> | <u>Reductions/ Adjustments</u> | <u>Balance June 30, 2024</u> | <u>Current Portion</u> |
|------------------------------|------------------------------------|------------------|------------------------------------|----------------------------------|----------------------------|
| Fiduciary activities: | | | | | |
| Compensated Absences | \$ 5,803 | \$ - | \$ (2,664) | \$ 3,139 | \$ 1,849 |
| Tax Increment Revenue Bonds | 9,000,000 | - | (350,000) | 8,650,000 | 365,000 |
| Add Issuance Premium | <u>1,276,039</u> | <u>-</u> | <u>(74,361)</u> | <u>1,201,678</u> | <u>74,361</u> |
| Total Fiduciary activities | <u>\$ 10,281,842</u> | <u>\$ -</u> | <u>\$ (427,025)</u> | <u>\$ 9,854,817</u> | <u>\$ 441,210</u> |

Long-term liabilities due within one year are net of amortized discount.

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12: FIDUCIARY FUND (CONTINUED)

Tax Increment Bonds Series 2020

Bonds are refunded to retire all or a portion of an outstanding bond issue. Most typically, a refunding is done to refinance at a lower interest rate to reduce overall debt service. On October 22, 2020, Council authorized the issuance of Town of Truckee Redevelopment Successor Agency, Tax Allocation Refunding Bonds, Series 2020. This transaction refunds two series of bond issuances; Series A consisted of \$9,385,000 in Tax-Exempt Bank Qualified Tax Allocation Revenue Bonds and Series B consisted of \$3,355,000 of Taxable Recovery Zone Economic Development Bonds ("RZEDB") issued under the provisions of the American Recovery and Reinvestment Act of 2009. The Agency had a 45% interest rate subsidy on RZEDB bonds from the federal government.

On June 24, 2020, the Series 2020 bonds were issued with a par of \$9,670,000 million at an original issue premium of \$1,499,123 million and the proceeds were placed in escrow. This financing matures in 2040 and will provide annual average cost reductions of \$155,000. The savings will be redistributed to the overlapping entities of the redevelopment area, of which the Town is expected to receive \$21,100 annually. The Series A and Series B bonds were called on September 1, 2020.

Tax increment Bonds Series 2020, in escrow as of June 24, 2020 will have a final date of September 1, 2020, in the amount of \$9,670,000, payable in annual installments of \$330,000 to \$685,000. Series 2020 interest rate of 3.00% to 4.00% and maturity on September 1, 2040.

The annual aggregate maturities for years subsequent to June 30, 2024, are as follows:

| Tax Incremental Bonds | | | |
|---|------------------|-----------------|--------------|
| For the Year Ending June 30, | Principal | Interest | Total |
| 2025 | \$ 365,000 | \$ 338,700 | \$ 703,700 |
| 2026 | 380,000 | 323,800 | 703,800 |
| 2027 | 395,000 | 308,300 | 703,300 |
| 2028 | 410,000 | 292,200 | 702,200 |
| 2029 | 430,000 | 275,400 | 705,400 |
| 2030 - 2034 | 2,405,000 | 1,101,100 | 3,506,100 |
| 2035 - 2039 | 2,925,000 | 569,700 | 3,494,700 |
| 2040 - 2041 | 1,340,000 | 54,200 | 1,394,200 |
| Total | \$ 8,650,000 | \$ 3,263,400 | \$ 3,518,400 |

NOTE 13: FUND BALANCE

Fund Balance Flow Assumptions: On occasion, the Town has outlays for which both restricted and unrestricted amounts (i.e., total committed, unassigned, and assigned fund balance) could be used. When such an outlay occurs, the Town considers unrestricted fund balance depleted before restricted fund balance. When an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the Town considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

Fund Balance Policies: The Town Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through the adoption and amendment of the budget. Assigned fund balances are established by the Town Council through adoption or amendment of the budget as intended for specific purposes (such as the purchase of fleet equipment, construction, litigation, housing, pavement management, etc.).

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13: FUND BALANCE (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2024, were distributed as follows:

| | <u>General Fund</u> | <u>Capital Projects</u> | <u>Town Bond Reserve Fund</u> | <u>Measure R Trails Fund</u> |
|-------------------------------------|----------------------|-------------------------|-----------------------------------|----------------------------------|
| Nonspendable | | | | |
| Prepaid items | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | <u>324,125</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Nonspendable | <u>324,125</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Restricted | | | | |
| Self-insured retention | 231,390 | - | - | - |
| Vehicle abatement | - | - | - | - |
| Public improvements and maintenance | - | - | - | 2,806,437 |
| Air quality mitigation | - | - | - | - |
| Streets and roads | - | - | - | - |
| Grants | - | - | - | - |
| Debt service | - | - | 333,783 | - |
| Housing | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Restricted | <u>231,390</u> | <u>-</u> | <u>333,783</u> | <u>2,806,437</u> |
| Assigned | | | | |
| Fleet replacement | - | - | - | - |
| Loan repayment | - | - | - | - |
| Operation contingencies | <u>27,477,871</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assigned | <u>27,477,871</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Unassigned | <u>37,830,843</u> | <u>(700,692)</u> | <u>-</u> | <u>-</u> |
| Total Fund Balance | <u>\$ 65,864,229</u> | <u>\$ (700,692)</u> | <u>\$ 333,783</u> | <u>\$ 2,806,437</u> |

**TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13: FUND BALANCE (CONTINUED)

| | <u>Traffic Impact Fees Fund</u> | <u>Debt Service Fund</u> | <u>Measure V Road Maintenance Fund</u> | <u>HOME Grant Fund</u> |
|-------------------------------------|-------------------------------------|------------------------------|--|----------------------------|
| Nonspendable | | | | |
| Prepaid items | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - |
| Total Nonspendable | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Restricted | | | | |
| Self-insured retention | - | - | - | - |
| Vehicle abatement | - | - | - | - |
| Public improvements and maintenance | - | - | - | - |
| Air quality mitigation | - | - | - | - |
| Streets and roads | 8,905,797 | - | 11,891,775 | - |
| Grants | - | - | - | - |
| Debt service | - | - | - | - |
| Housing | - | - | - | - |
| Total Restricted | <u>8,905,797</u> | <u>-</u> | <u>11,891,775</u> | <u>-</u> |
| Assigned | | | | |
| Fleet replacement | - | - | - | - |
| Loan repayment | - | - | - | - |
| Operation contingencies | - | - | - | - |
| Total Assigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balance | <u>\$ 8,905,797</u> | <u>\$ -</u> | <u>\$ 11,891,775</u> | <u>\$ -</u> |

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13: FUND BALANCE (CONTINUED)

| | Town Special Service Areas Fund | Other Governmental Funds | Total Governmental Funds |
|-------------------------------------|--|---|---|
| Nonspendable | | | |
| Prepaid items | \$ - | \$ 1,400 | \$ 1,400 |
| Due to other funds | - | - | 324,125 |
| | <u>-</u> | <u>-</u> | <u>324,125</u> |
| Total Nonspendable | <u>-</u> | <u>1,400</u> | <u>325,525</u> |
| Restricted | | | |
| Self-insured retention | - | - | 231,390 |
| Vehicle abatement | - | 5,573 | 5,573 |
| Public improvements and maintenance | - | 3,658,812 | 6,465,249 |
| Air quality mitigation | - | 149,262 | 149,262 |
| Streets and roads | 6,031,277 | 1,437,718 | 28,266,567 |
| Grants | - | 459,188 | 459,188 |
| Debt service | - | - | 333,783 |
| Housing | - | 2,482,661 | 2,482,661 |
| | <u>-</u> | <u>2,482,661</u> | <u>2,482,661</u> |
| Total Restricted | <u>6,031,277</u> | <u>8,193,214</u> | <u>38,393,673</u> |
| Assigned | | | |
| Fleet replacement | - | 5,274,475 | 5,274,475 |
| Loan repayment | - | 43,129 | 43,129 |
| Operation contingencies | - | - | 27,477,871 |
| | <u>-</u> | <u>-</u> | <u>27,477,871</u> |
| Total Assigned | <u>-</u> | <u>5,317,604</u> | <u>32,795,475</u> |
| Unassigned | <u>-</u> | <u>-</u> | <u>37,130,151</u> |
| Total Fund Balance | <u>\$ 6,031,277</u> | <u>\$ 13,512,218</u> | <u>\$ 108,644,824</u> |

TOWN OF TRUCKEE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14: DEFICIT FUND BALANCES AND NET POSITION

As of June 30, 2024, the following governmental fund had a fund deficit:

| <u>Fund</u> | <u>Deficit</u> |
|------------------|-------------------|
| Capital Projects | \$ <u>700,692</u> |

This deficit was a result of expenditures incurred in advance of receipt of revenue and will be eliminated through future revenues and expenditure reductions.

NOTE 15: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

GANN Spending Limit

Under Article XIII B of the California Constitution (the GANN Spending Limitation), the Town is restricted as to the amount of annual appropriations from proceeds of taxes, and of proceeds of taxes allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised tax schedules, or other refund arrangements.

For the fiscal years ended June 30, 2008 and on, the Gann Limit Calculation was calculated, based upon the advice of legal counsel, to exclude police and animal control services expenses from the appropriations subject to the limit. The Town is in compliance with the spending limit.

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF TRUCKEE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

| | <u>2023 - 2024 Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|---|-----------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ 30,136,161 | \$ 30,136,162 | \$ 32,778,186 | \$ 2,642,024 |
| License, permits, and fees | 703,000 | 703,000 | 751,847 | 48,847 |
| Fines and forfeitures | 77,000 | 77,000 | 299,029 | 222,029 |
| Use of money and property | 920,924 | 920,924 | 3,057,038 | 2,136,114 |
| Intergovernmental | 2,288,855 | 2,288,855 | 2,862,522 | 573,667 |
| Charges for services | 1,532,065 | 1,532,065 | 1,808,188 | 276,123 |
| Other revenues | <u>472,268</u> | <u>472,268</u> | <u>953,025</u> | <u>480,757</u> |
| Total Revenues | <u>36,130,273</u> | <u>36,130,274</u> | <u>42,509,835</u> | <u>6,379,561</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| General government | 9,497,478 | 9,542,976 | 9,028,175 | 514,801 |
| Public safety | 8,840,503 | 8,915,497 | 9,151,900 | (236,403) |
| Public works | 9,942,357 | 9,947,356 | 8,738,017 | 1,209,339 |
| Community development | 1,731,184 | 1,731,183 | 1,654,045 | 77,138 |
| Facilities | 2,079,247 | 2,294,246 | 2,246,265 | 47,981 |
| Capital outlay | <u>190,100</u> | <u>190,100</u> | <u>164,831</u> | <u>25,269</u> |
| Total Expenditures | <u>32,280,869</u> | <u>32,621,358</u> | <u>30,983,233</u> | <u>1,638,125</u> |
| Excess (deficiency) of revenues over expenditures | <u>3,849,404</u> | <u>3,508,916</u> | <u>11,526,602</u> | <u>8,017,686</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | 3,427,317 | 3,427,317 | 3,534,678 | 107,361 |
| Transfers out | <u>(18,065,509)</u> | <u>(19,695,896)</u> | <u>(11,494,930)</u> | <u>8,200,966</u> |
| Total Other Financing Sources (Uses) | <u>(14,638,192)</u> | <u>(16,268,579)</u> | <u>(7,960,252)</u> | <u>8,308,327</u> |
| Net change in fund balance | <u>\$(10,788,788)</u> | <u>\$(12,759,663)</u> | <u>3,566,350</u> | <u>\$ 16,326,013</u> |
| Fund balance - July 1, 2023 | | | <u>62,297,879</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 65,864,229</u> | |

TOWN OF TRUCKEE
MEASURE R TRAILS FUND - MAJOR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

| | <u>2023 - 2024</u> <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u> |
|---|---|-----------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ 1,857,648 | \$ 1,857,648 | \$ 1,904,216 | \$ 46,568 |
| Use of money and property | <u>74,462</u> | <u>74,462</u> | <u>299,304</u> | <u>224,842</u> |
| Total Revenues | <u>1,932,110</u> | <u>1,932,110</u> | <u>2,203,520</u> | <u>271,410</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Public works | <u>500</u> | <u>500</u> | <u>1,313</u> | <u>(813)</u> |
| Total Expenditures | <u>500</u> | <u>500</u> | <u>1,313</u> | <u>(813)</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,931,610</u> | <u>1,931,610</u> | <u>2,202,207</u> | <u>270,597</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(5,440,136)</u> | <u>(5,655,136)</u> | <u>(3,948,329)</u> | <u>1,706,807</u> |
| Total Other Financing Sources (Uses) | <u>(5,440,136)</u> | <u>(5,655,136)</u> | <u>(3,948,329)</u> | <u>1,706,807</u> |
| Net change in fund balance | <u>\$ (3,508,526)</u> | <u>\$ (3,723,526)</u> | <u>(1,746,122)</u> | <u>\$ 1,977,404</u> |
| Fund balance - July 1, 2023 | | | <u>4,552,559</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 2,806,437</u> | |

TOWN OF TRUCKEE
TRAFFIC IMPACT FEES FUND - MAJOR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

| | <u>2023 - 2024</u> <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u> |
|---|---|-----------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Use of money and property | 120,551 | 120,551 | 428,687 | 308,136 |
| Charges for services | \$ <u>2,540,000</u> | \$ <u>2,540,000</u> | \$ <u>1,048,047</u> | \$ <u>(1,491,953)</u> |
| Total Revenues | <u>2,660,551</u> | <u>2,660,551</u> | <u>1,476,734</u> | <u>(1,183,817)</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Public works | <u>13,200</u> | <u>13,200</u> | <u>25,385</u> | <u>(12,185)</u> |
| Total Expenditures | <u>13,200</u> | <u>13,200</u> | <u>25,385</u> | <u>(12,185)</u> |
| Excess (deficiency) of revenues over expenditures | <u>2,647,351</u> | <u>2,647,351</u> | <u>1,451,349</u> | <u>(1,196,002)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(3,955,584)</u> | <u>(3,955,584)</u> | <u>(214,006)</u> | <u>3,741,578</u> |
| Total Other Financing Sources (Uses) | <u>(3,955,584)</u> | <u>(3,955,584)</u> | <u>(214,006)</u> | <u>3,741,578</u> |
| Net change in fund balance | \$ <u>(1,308,233)</u> | \$ <u>(1,308,233)</u> | <u>1,237,343</u> | \$ <u>2,545,576</u> |
| Fund balance - July 1, 2023 | | | <u>7,668,454</u> | |
| Fund balance - June 30, 2024 | | | \$ <u>8,905,797</u> | |

TOWN OF TRUCKEE
MEASURE V ROAD MAINTENANCE FUND - MAJOR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

| | <u>2023 - 2024</u> <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u> |
|---|---|---------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ 3,715,296 | \$ 3,715,296 | \$ 3,833,093 | \$ 117,797 |
| Use of money and property | <u>152,193</u> | <u>152,193</u> | <u>461,258</u> | <u>309,065</u> |
| Total Revenues | <u>3,867,489</u> | <u>3,867,489</u> | <u>4,294,351</u> | <u>426,862</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Public works | <u>10,000</u> | <u>10,000</u> | <u>6,019</u> | <u>3,981</u> |
| Total Expenditures | <u>10,000</u> | <u>10,000</u> | <u>6,019</u> | <u>3,981</u> |
| Excess (deficiency) of revenues over expenditures | <u>3,857,489</u> | <u>3,857,489</u> | <u>4,288,332</u> | <u>430,843</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(1,970,000)</u> | <u>(2,530,000)</u> | <u>(1,283,928)</u> | <u>1,246,072</u> |
| Total Other Financing Sources (Uses) | <u>(1,970,000)</u> | <u>(2,530,000)</u> | <u>(1,283,928)</u> | <u>1,246,072</u> |
| Net change in fund balance | <u>\$ 1,887,489</u> | <u>\$ 1,327,489</u> | <u>3,004,404</u> | <u>\$ 1,676,915</u> |
| Fund balance - July 1, 2023 | | | <u>8,887,371</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 11,891,775</u> | |

TOWN OF TRUCKEE
TOWN SPECIAL SERVICE AREAS FUND - MAJOR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

| | <u>2023 - 2024</u> <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u> |
|---|---|---------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ 777,000 | \$ 777,000 | \$ 779,297 | \$ 2,297 |
| Use of money and property | <u>92,559</u> | <u>92,559</u> | <u>279,095</u> | <u>186,536</u> |
| Total Revenues | <u>869,559</u> | <u>869,559</u> | <u>1,058,392</u> | <u>188,833</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Public works | <u>9,850</u> | <u>9,850</u> | <u>6,180</u> | <u>3,670</u> |
| Total Expenditures | <u>9,850</u> | <u>9,850</u> | <u>6,180</u> | <u>3,670</u> |
| Excess (deficiency) of revenues over expenditures | <u>859,709</u> | <u>859,709</u> | <u>1,052,212</u> | <u>192,503</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(1,438,259)</u> | <u>(1,438,259)</u> | <u>(660,643)</u> | <u>777,616</u> |
| Total Other Financing Sources (Uses) | <u>(1,438,259)</u> | <u>(1,438,259)</u> | <u>(660,643)</u> | <u>777,616</u> |
| Net change in fund balance | <u>\$ (578,550)</u> | <u>\$ (578,550)</u> | <u>391,569</u> | <u>\$ 970,119</u> |
| Fund balance - July 1, 2023 | | | <u>5,639,708</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 6,031,277</u> | |

**TOWN OF TRUCKEE
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

**As of June 30, 2024
Last 10 Years**

| | Measurement Period | | | | | | | | | |
|---|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Proportion of the net pension liability | 0.166970 % | 0.162650 % | 0.140120 % | 0.141710 % | 0.135550 % | 0.130220 % | 0.128270 % | 0.124370 % | 0.120798 % | 0.172250 % |
| Proportionate share of the net pension liability | \$ 20,830,659 | \$ 18,787,734 | \$ 7,578,234 | \$ 15,418,984 | \$ 13,889,531 | \$ 12,548,765 | \$ 12,720,474 | \$ 10,761,789 | \$ 8,291,496 | \$ 6,672,012 |
| Covered payroll | \$ 12,662,990 | \$ 11,453,648 | \$ 11,205,585 | \$ 10,629,568 | \$ 9,917,135 | \$ 9,935,645 | \$ 8,988,575 | \$ 8,529,783 | \$ 8,098,016 | \$ 7,249,592 |
| Proportionate share of the net pension liability as a percentage of covered payroll | 164.50 % | 164.03 % | 67.63 % | 145.06 % | 140.06 % | 126.30 % | 141.52 % | 126.17 % | 102.39 % | 92.03 % |
| Plan fiduciary net position as a percentage of the total pension liability | 76.21 % | 76.68 % | 88.29 % | 75.10 % | 75.26 % | 75.26 % | 73.31 % | 74.06 % | 78.40 % | 79.82 % |

Notes to Schedule:

Changes in assumptions

In 2023, there were no changes in assumptions. In 2022, the demographic assumptions, discount rate and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2021. 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.

TOWN OF TRUCKEE
 REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS TO THE DEFINED BENEFIT PENSION PLAN

As of June 30, 2024
 Last 10 Years

| | Fiscal Year-End | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually required contribution (actuarially determined) | \$ 3,193,087 | \$ 2,823,609 | \$ 2,567,091 | \$ 2,427,394 | \$ 2,200,337 | \$ 1,911,834 | \$ 1,597,901 | \$ 1,599,871 | \$ 1,437,532 | \$ 1,503,497 |
| Contributions in relation to the actuarially determined contributions | <u>3,193,087</u> | <u>2,823,609</u> | <u>2,567,091</u> | <u>2,427,394</u> | <u>2,200,337</u> | <u>1,911,834</u> | <u>1,597,901</u> | <u>1,599,871</u> | <u>1,437,532</u> | <u>1,503,497</u> |
| Contribution deficiency (excess) | \$ <u> -</u> |
| Covered payroll | \$15,233,103 | \$12,662,990 | \$11,453,648 | \$11,205,585 | \$10,629,568 | \$ 9,917,135 | \$ 9,935,645 | \$ 8,988,575 | \$ 8,529,783 | \$ 8,098,016 |
| Contributions as a percentage of covered payroll | 20.96 % | 22.30 % | 22.41 % | 21.66 % | 20.70 % | 19.28 % | 16.08 % | 17.80 % | 16.85 % | 18.57 % |

**TOWN OF TRUCKEE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
As of June 30, 2024
Last 10 Years ***

| | Measurement Period | | | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2023 | 2022 | 2021 | 2020 |
| Changes in the Total OPEB Liability | | | | |
| Service cost | \$ 166,829 | \$ 180,963 | \$ 158,291 | \$ 155,153 |
| Interest | 144,352 | 129,003 | 140,623 | 129,600 |
| Benefit payments | (75,046) | (76,954) | (60,788) | (66,700) |
| Plan experience | (285,032) | - | (30,516) | - |
| Change in assumptions | <u>(82,577)</u> | <u>(186,142)</u> | <u>(63,130)</u> | <u>(23,732)</u> |
| Net Changes | <u>(131,474)</u> | <u>46,870</u> | <u>144,480</u> | <u>194,321</u> |
| Total OPEB Liability (beginning of year) | 2,620,241 | 2,573,371 | 2,428,891 | 2,234,570 |
| Total OPEB Liability (end of year) | <u>\$ 2,488,767</u> | <u>\$ 2,620,241</u> | <u>\$ 2,573,371</u> | <u>\$ 2,428,891</u> |
| Changes in the Fiduciary Net Position | | | | |
| Employer contributions | \$ 256,419 | \$ 272,190 | \$ 219,821 | \$ 187,859 |
| Investment income | 25,569 | (166,260) | 153,183 | 60,167 |
| Benefit payments | (75,046) | (76,954) | (60,788) | (66,700) |
| Administrative expenses | <u>(1,292)</u> | <u>(954)</u> | <u>(889)</u> | <u>(930)</u> |
| Net Changes | <u>205,650</u> | <u>28,022</u> | <u>311,327</u> | <u>180,396</u> |
| Total Fiduciary Net Position (beginning of year) | 1,406,516 | 1,378,494 | 1,067,167 | 886,771 |
| Total Fiduciary Net Position (end of year) | <u>1,612,166</u> | <u>1,406,516</u> | <u>1,378,494</u> | <u>1,067,167</u> |
| Net OPEB Liability | <u>\$ 876,601</u> | <u>\$ 1,213,725</u> | <u>\$ 1,194,877</u> | <u>\$ 1,361,724</u> |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 64.8 % | 53.7 % | 53.6 % | 43.9 % |
| Covered employee payroll | \$ 13,560,682 | \$ 11,669,025 | \$ 11,400,653 | \$ 10,440,289 |
| Net OPEB Liability as a Percentage of Covered-Employee Payroll | 18.4 % | 10.4 % | 10.5 % | 13.0 % |

Notes to Schedule:

* Fiscal year 2018 was the 1st year of implementation, therefore only seven years are shown.

**TOWN OF TRUCKEE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (CONTIUNED)
As of June 30, 2024
Last 10 Years ***

| | Measurement Period | | |
|---|---------------------|---------------------|---------------------|
| | 2019 | 2018 | 2017 |
| Changes in the Total OPEB Liability | | | |
| Service cost | \$ 94,738 | \$ 91,979 | \$ 89,300 |
| Interest | 73,909 | 66,265 | 59,335 |
| Benefit payments | (23,088) | (20,967) | (29,650) |
| Plan experience | 663,210 | - | - |
| Change in assumptions | <u>165,203</u> | <u>-</u> | <u>-</u> |
| Net Changes | <u>973,972</u> | <u>137,277</u> | <u>118,985</u> |
| Total OPEB Liability (beginning of year) | 1,260,598 | 1,123,321 | 1,004,336 |
| Total OPEB Liability (end of year) | <u>\$ 2,234,570</u> | <u>\$ 1,260,598</u> | <u>\$ 1,123,321</u> |
| Changes in the Fiduciary Net Position | | | |
| Employer contributions | \$ 125,518 | \$ 144,250 | \$ 148,746 |
| Investment income | 58,709 | 28,706 | 20,407 |
| Benefit payments | (23,088) | (20,967) | (29,650) |
| Administrative expenses | <u>(528)</u> | <u>(1,535)</u> | <u>(248)</u> |
| Net Changes | <u>160,611</u> | <u>150,454</u> | <u>139,255</u> |
| Total Fiduciary Net Position (beginning of year) | 726,160 | 575,706 | 436,451 |
| Total Fiduciary Net Position (end of year) | <u>886,771</u> | <u>726,160</u> | <u>575,706</u> |
| Net OPEB Liability | <u>\$ 1,347,799</u> | <u>\$ 534,438</u> | <u>\$ 547,615</u> |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 39.7 % | 57.6 % | 51.3 % |
| Covered employee payroll | \$ 10,427,136 | \$ 9,334,958 | \$ 8,803,289 |
| Net OPEB Liability as a Percentage of Covered-Employee Payroll | 12.9 % | 5.7 % | 6.2 % |

**TOWN OF TRUCKEE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
As of June 30, 2024
Last 10 Years ***

| | Fiscal Year | | | | | | |
|---|------------------|-----------------|------------------|------------------|-----------------|------------------|-------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Actuarially Determined Contribution (ADC) | \$ 269,390 | \$ 264,355 | \$ 288,091 | \$ 239,736 | \$ 187,556 | \$ 141,968 | \$ 138,976 |
| Contributions in relation to the ADC | <u>247,034</u> | <u>256,419</u> | <u>271,715</u> | <u>219,821</u> | <u>187,859</u> | <u>125,518</u> | <u>144,250</u> |
| Contribution deficiency (excess) | <u>\$ 22,356</u> | <u>\$ 7,936</u> | <u>\$ 16,376</u> | <u>\$ 19,915</u> | <u>\$ (303)</u> | <u>\$ 16,450</u> | <u>\$ (5,274)</u> |
| Covered-Employee Payroll | \$ 15,572,614 | \$ 13,560,682 | \$ 11,669,025 | \$ 11,400,653 | \$ 10,440,289 | \$ 10,367,646 | \$ 9,165,306 |
| Contributions as a Percentage of Covered-Employee Payroll | 1.6 % | 1.9 % | 2.3 % | 1.9 % | 1.8 % | 1.2 % | 1.6 % |

* Fiscal year 2018 was the 1st year of implementation, therefore only seven years are shown.

**TOWN OF TRUCKEE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Basis of Accounting

The approved Town procedures for establishing the budgetary data reflected in the financial statements are as follows:

1. Each year, the Administrative Services Department submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and estimated revenues. Public meetings are to be conducted to obtain taxpayer comments. By July 1, after adjustment as directed by the Town Council, the budget is legally enacted through council motion.
2. Council approval is required for transfers between funds, or for an increase in total appropriations. Therefore, the level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis (General Government, Public Safety, Public Works etc.).
3. Formal budgetary integration is employed as a management control device during the year for the General Fund and certain Special Revenue Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant adjustments.
4. All unused appropriations for budgeted amounts lapse at the end of the fiscal year.
5. Individual fund budgetary comparisons are not presented at the detailed budget level due to their excessive length. A separate document presenting this information is available. The following funds did not have a legally adopted budget for the fiscal year ended June 30, 2024: Capital Projects Fund, Town Bond Reserve Fund, Debt Service Fund, Home Grant Fund, Abandoned Vehicle Abatement Fund, Town Housing Fund, Downtown In-Lieu Parking Fund, PEG Fund, Infrastructure In-Lieu Fund, COPS Fund, Gas Tax Fund, BEGIN Housing Reimbursement Grant Fund, HOME Re-Use Fund, CDBG Misc Income Fund, CDBG 10-STBG-8741 Fund, 15-CDBG-10568 Fund, Housing Assistance Fund, CDBG Program Income Fund, CalHome Grant Fund, the Asset Forfeiture Fund, and the Fleet Replacement Fund.

The Town does not use encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

Excess Expenditures Over Budgetary Appropriations

The Town's General Fund and major special revenue funds did not have any material excess expenditures over appropriations for fiscal year 2024.

Change in Assumption - Cost Sharing Defined Benefit Pension Plan

The discount rate used to measure the total pension liability was 6.90 percent and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in calculation of the discount rate a crossover test is performed by CalPERS on a miscellaneous plan and a safety plan. Based on the testing of those plan investments, the tests revealed that the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan. The crossover test results can be found on the CalPERS' website at <https://www.calpers.ca.gov/page/employers/actuarial-services/gasb>.

**TOWN OF TRUCKEE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Actuarial Assumptions - Other Post Employment Benefits

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2024 were from the June 30, 2023 valuation.

Methods and assumptions used to determine contributions:

Assumptions

| | |
|----------------------------|---|
| Valuation Date | June 30, 2023 |
| Actuarial Cost Method | Entry Age Normal Cost Method; Level % of Pay |
| Amortization Method | Level Dollar |
| Amortization Periods | 18-year fixed period for 2023/24 |
| Actuarial Assumptions | |
| Discount Rate | 5.25% |
| Inflation | 2.50% |
| Projected Salary Increases | Aggregate - 2.75%; Merit - CalPERS 2000-2019 Experience Study |
| Investment Rate of Return | 5.25% net of pension investment and administrative expenses; includes inflation |
| Mortality | Derived using the 2000-2019 CalPERS experience study. The post-retirement mortality rates projected with Mortality Improvement Society of Actuaries Scale M |

COMBINING FINANCIAL SCHEDULES

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2024**

| | Special Revenue Funds | | | | |
|---|---|--|---|------------------------------|------------------|
| | Abandoned Vehicle Abatement Fund | Air Quality Mitigation Fund | Downtown In- Lieu Parking Fund | Town Housing Fund | PEG Fund |
| <u>ASSETS</u> | | | | | |
| Cash and investments | \$ 5,573 | \$ 148,322 | \$ 175,683 | \$ 443,118 | \$ 50,022 |
| Accounts receivable | - | - | 7,470 | - | 4,764 |
| Interest receivable | - | 940 | 1,097 | 2,743 | 313 |
| Taxes receivable | - | - | - | - | - |
| Loans receivable | - | - | - | 437,516 | - |
| Prepaid expenses | - | - | - | - | - |
| Total Assets | <u>\$ 5,573</u> | <u>\$ 149,262</u> | <u>\$ 184,250</u> | <u>\$ 883,377</u> | <u>\$ 55,099</u> |
| <u>LIABILITIES:</u> | | | | | |
| Accounts payable and accrued expenses | \$ - | \$ - | \$ - | \$ - | \$ - |
| Deposits payable | - | - | - | - | - |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Unavailable revenues | - | - | 7,470 | 437,516 | - |
| <u>FUND BALANCES:</u> | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 5,573 | 149,262 | 176,780 | 445,861 | 55,099 |
| Assigned | - | - | - | - | - |
| Total Fund Balances | <u>5,573</u> | <u>149,262</u> | <u>176,780</u> | <u>445,861</u> | <u>55,099</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 5,573</u> | <u>\$ 149,262</u> | <u>\$ 184,250</u> | <u>\$ 883,377</u> | <u>\$ 55,099</u> |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (CONTINUED)
JUNE 30, 2024**

| | Special Revenue Fund | | | | | |
|--|--|---|------------------|---------------------|---|-----------------------------|
| | Infrastructure In-Lieu Fund | Community Facilities Districts | COPS Fund | Gas Tax Fund | BEGIN Housing Reimb Grant Fund | HOME Re-Use Fund |
| ASSETS | | | | | | |
| Cash and investments | \$ 343,637 | \$ 934,716 | \$ 470,805 | \$ 1,173,018 | \$ - | \$ 22,380 |
| Accounts receivable | - | 4,655 | - | - | - | - |
| Interest receivable | 2,116 | 5,799 | 3,213 | 7,131 | - | 156 |
| Taxes receivable | - | 2,939 | - | 80,789 | - | - |
| Loans receivable | - | - | - | - | 314,188 | 1,492,590 |
| Prepaid expenses | - | - | 1,400 | - | - | - |
| Total Assets | \$ 345,753 | \$ 948,109 | \$ 475,418 | \$ 1,260,938 | \$ 314,188 | \$ 1,515,126 |
| LIABILITIES: | | | | | | |
| Accounts payable and accrued expenses | \$ - | \$ 22,410 | \$ 14,830 | \$ - | \$ - | \$ - |
| Deposits payable | 74,533 | - | - | - | - | - |
| Total Liabilities | 74,533 | 22,410 | 14,830 | - | - | - |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenues | - | - | - | - | 314,188 | 1,492,590 |
| FUND BALANCES: | | | | | | |
| Nonspendable | - | - | 1,400 | - | - | - |
| Restricted | 271,220 | 925,699 | 459,188 | 1,260,938 | - | 22,536 |
| Assigned | - | - | - | - | - | - |
| Total Fund Balances | 271,220 | 925,699 | 460,588 | 1,260,938 | - | 22,536 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 345,753 | \$ 948,109 | \$ 475,418 | \$ 1,260,938 | \$ 314,188 | \$ 1,515,126 |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (CONTINUED)
JUNE 30, 2024**

| | Special Revenue Funds | | | | |
|---|------------------------------------|--|--------------------------------|-------------------------|--|
| | CDBG - Misc Income Fund | CDBG 10- STBG-6741 Fund | 15-CDBG- 10566 Fund | CDBG-CV Fund | Housing Assistance Fund |
| <u>ASSETS</u> | | | | | |
| Cash and investments | \$ 42,744 | \$ - | \$ - | \$ 154 | \$ 966,612 |
| Accounts receivable | - | - | - | - | - |
| Interest receivable | 235 | - | - | - | 5,956 |
| Taxes receivable | - | - | - | - | - |
| Loans receivable | 48,163 | 599,589 | - | - | 2,027,031 |
| Prepaid expenses | - | - | - | - | - |
| Total Assets | <u>\$ 91,142</u> | <u>\$ 599,589</u> | <u>\$ -</u> | <u>\$ 154</u> | <u>\$ 2,999,599</u> |
| <u>LIABILITIES:</u> | | | | | |
| Accounts payable and accrued expenses | \$ - | \$ - | \$ - | \$ - | \$ - |
| Deposits payable | - | - | - | - | - |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Unavailable revenues | <u>48,167</u> | <u>599,589</u> | <u>-</u> | <u>-</u> | <u>2,027,031</u> |
| <u>FUND BALANCES:</u> | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | - | - | - | 972,568 |
| Assigned | <u>42,975</u> | <u>-</u> | <u>-</u> | <u>154</u> | <u>-</u> |
| Total Fund Balances | <u>42,975</u> | <u>-</u> | <u>-</u> | <u>154</u> | <u>972,568</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 91,142</u> | <u>\$ 599,589</u> | <u>\$ -</u> | <u>\$ 154</u> | <u>\$ 2,999,599</u> |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (CONTINUED)
JUNE 30, 2024**

| | Special Revenue Funds | | | | Capital Projects Fund | Total Non-major Governmental Funds |
|--|------------------------|-----------------------|-----------------------------------|-----------------------------|------------------------------|--|
| | Program Income Fund | CalHome Grant Fund | Facilities Impact Fees Fund | Asset Forfeiture Fund | Fleet Replacement Fund | |
| <u>ASSETS</u> | | | | | | |
| Cash and investments | \$ 1,035,269 | \$ - | \$ 2,232,982 | \$ 155,637 | \$ 5,312,030 | \$ 13,512,702 |
| Accounts receivable | - | - | 9,555 | - | 32,523 | 58,967 |
| Interest receivable | 6,427 | - | 7,680 | 940 | - | 44,746 |
| Taxes receivable | - | - | - | - | - | 83,728 |
| Loans receivable | 92,724 | 218,962 | - | - | - | 5,230,763 |
| Prepaid expenses | - | - | - | - | - | 1,400 |
| Total Assets | <u>\$ 1,134,420</u> | <u>\$ 218,962</u> | <u>\$ 2,250,217</u> | <u>\$ 156,577</u> | <u>\$ 5,344,553</u> | <u>\$ 18,932,306</u> |
| <u>LIABILITIES:</u> | | | | | | |
| Accounts payable and accrued expenses | \$ - | \$ - | \$ - | \$ - | \$ 70,078 | \$ 107,318 |
| Deposits payable | - | - | - | - | - | 74,533 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>70,078</u> | <u>181,851</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Unavailable revenues | <u>92,724</u> | <u>218,962</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,238,237</u> |
| <u>FUND BALANCES:</u> | | | | | | |
| Nonspendable | - | - | - | - | - | 1,400 |
| Restricted | 1,041,696 | - | 2,250,217 | 156,577 | - | 8,193,214 |
| Assigned | - | - | - | - | 5,274,475 | 5,317,604 |
| Total Fund Balances | <u>1,041,696</u> | <u>-</u> | <u>2,250,217</u> | <u>156,577</u> | <u>5,274,475</u> | <u>13,512,218</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 1,134,420</u> | <u>\$ 218,962</u> | <u>\$ 2,250,217</u> | <u>\$ 156,577</u> | <u>\$ 5,344,553</u> | <u>\$ 18,932,306</u> |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

| | Special Revenue Funds | | | | |
|---|---|--|---|------------------------------|------------------|
| | Abandoned Vehicle Abatement Fund | Air Quality Mitigation Fund | Downtown In- Lieu Parking Fund | Town Housing Fund | PEG Fund |
| REVENUES | | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of money and property | 180 | 4,587 | 5,392 | 19,179 | 2,099 |
| Intergovernmental | - | - | - | - | - |
| Charges for services | - | 176 | - | - | - |
| Other revenue | - | - | - | 7,956 | 19,575 |
| Total Revenues | <u>180</u> | <u>4,763</u> | <u>5,392</u> | <u>27,135</u> | <u>21,674</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Public safety | - | - | - | - | - |
| Public works | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Debt service: | | | | | |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>180</u> | <u>4,763</u> | <u>5,392</u> | <u>27,135</u> | <u>21,674</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | - | (1,000) | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(1,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 180 | 3,763 | 5,392 | 27,135 | 21,674 |
| Fund balances - July 1, 2023 | <u>5,393</u> | <u>145,499</u> | <u>171,388</u> | <u>418,726</u> | <u>33,425</u> |
| Fund balances - June 30, 2024 | <u>\$ 5,573</u> | <u>\$ 149,262</u> | <u>\$ 176,780</u> | <u>\$ 445,861</u> | <u>\$ 55,099</u> |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

| | Special Revenue Funds | | | | | |
|---|--|---|-------------------|---------------------|---|-----------------------------|
| | Infrastructure In-Lieu Fund | Community Facilities Districts | COPS Fund | Gas Tax Fund | BEGIN Housing Reimb Grant Fund | HOME Re-Use Fund |
| REVENUES | | | | | | |
| Taxes and assessments | \$ - | \$ 284,390 | \$ - | \$ 3,467,094 | \$ - | \$ - |
| Use of money and property | 9,652 | 26,332 | 14,450 | 28,725 | - | 892 |
| Intergovernmental | - | - | 186,159 | - | - | - |
| Charges for services | 49,071 | - | - | - | - | - |
| Other revenue | - | - | - | - | - | - |
| Total Revenues | <u>58,723</u> | <u>310,722</u> | <u>200,609</u> | <u>3,495,819</u> | <u>-</u> | <u>892</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Public safety | - | - | 95,391 | - | - | - |
| Public works | - | 135,932 | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Total Expenditures | <u>-</u> | <u>135,932</u> | <u>95,391</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>58,723</u> | <u>174,790</u> | <u>105,218</u> | <u>3,495,819</u> | <u>-</u> | <u>892</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | (6,502) | (51,500) | (3,008,459) | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(6,502)</u> | <u>(51,500)</u> | <u>(3,008,459)</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 58,723 | 168,288 | 53,718 | 487,360 | - | 892 |
| Fund balances - July 1, 2023 | <u>212,497</u> | <u>757,411</u> | <u>406,870</u> | <u>773,578</u> | <u>-</u> | <u>21,644</u> |
| Fund balances - June 30, 2024 | <u>\$ 271,220</u> | <u>\$ 925,699</u> | <u>\$ 460,588</u> | <u>\$ 1,260,938</u> | <u>\$ -</u> | <u>\$ 22,536</u> |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

| | Special Revenue Funds | | | | |
|---|------------------------------------|-------------------------------|--------------------------------|-------------------------|--|
| | CDBG - Misc Income Fund | CDBG 10- STBG-6741 | 15-CDBG- 10566 Fund | CDBG-CV Fund | Housing Assistance Fund |
| REVENUES | | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of money and property | 1,379 | 13,187 | - | - | 34,355 |
| Intergovernmental | - | - | - | 3,849 | - |
| Charges for services | - | - | - | - | 18,605 |
| Other revenue | 2,945 | 16,732 | - | - | - |
| Total Revenues | 4,324 | 29,919 | - | 3,849 | 52,960 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Public safety | - | - | - | - | - |
| Public works | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Debt service: | | | | | |
| Total Expenditures | - | - | - | - | - |
| Excess (Deficiency) of Revenues over Expenditures | 4,324 | 29,919 | - | 3,849 | 52,960 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 17 | - | - | - | 5,509 |
| Transfers out | - | (29,919) | (16) | - | (5,509) |
| Total Other Financing Sources (Uses) | 17 | (29,919) | (16) | - | - |
| Net change in fund balances | 4,341 | - | (16) | 3,849 | 52,960 |
| Fund balances - July 1, 2023 | 38,634 | - | 16 | (3,695) | 919,608 |
| Fund balances - June 30, 2024 | \$ 42,975 | \$ - | \$ - | \$ 154 | \$ 972,568 |

**TOWN OF TRUCKEE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

| | Special Revenue Funds | | | Capital Projects Fund | Total Non-major Governmental Funds | |
|---|-----------------------|--------------------|-----------------------------|-----------------------|------------------------------------|------------------------|
| | Program Income Fund | CalHome Grant Fund | Facilities Impact Fees Fund | Asset Forfeiture Fund | | Fleet Replacement Fund |
| REVENUES | | | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,751,484 |
| Use of money and property | 31,104 | - | 47,576 | 3,923 | 125,745 | 368,757 |
| Intergovernmental | - | - | - | - | 1,133,852 | 1,323,860 |
| Charges for services | - | - | 310,675 | - | - | 378,527 |
| Other revenue | - | - | - | - | - | 47,208 |
| Total Revenues | <u>31,104</u> | <u>-</u> | <u>358,251</u> | <u>3,923</u> | <u>1,259,597</u> | <u>5,869,836</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Public safety | - | - | - | - | - | 95,391 |
| Public works | - | - | 3,486 | - | - | 139,418 |
| Capital outlay | - | - | - | - | 1,802,420 | 1,802,420 |
| Debt service: | | | | | | |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>3,486</u> | <u>-</u> | <u>1,802,420</u> | <u>2,037,229</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>31,104</u> | <u>-</u> | <u>354,765</u> | <u>3,923</u> | <u>(542,823)</u> | <u>3,832,607</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 29,919 | - | 150,326 | - | - | 185,771 |
| Transfers out | - | - | - | - | - | (3,102,905) |
| Total Other Financing Sources (Uses) | <u>29,919</u> | <u>-</u> | <u>150,326</u> | <u>-</u> | <u>-</u> | <u>(2,917,134)</u> |
| Net change in fund balances | 61,023 | - | 505,091 | 3,923 | (542,823) | 915,473 |
| Fund balances - July 1, 2023 | <u>980,673</u> | <u>-</u> | <u>1,745,126</u> | <u>152,654</u> | <u>5,817,298</u> | <u>12,596,745</u> |
| Fund balances - June 30, 2024 | <u>\$ 1,041,696</u> | <u>\$ -</u> | <u>\$ 2,250,217</u> | <u>\$ 156,577</u> | <u>\$ 5,274,475</u> | <u>\$ 13,512,218</u> |

TOWN OF TRUCKEE
AIR QUALITY MITIGATION FUND SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

| | <u>2023 - 2024</u> <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u> |
|--|---|--------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Use of money and property | \$ 2,377 | \$ 2,377 | \$ 4,587 | \$ 2,210 |
| Intergovernmental | <u>500</u> | <u>500</u> | <u>176</u> | <u>(324)</u> |
| Total Revenues | <u>2,877</u> | <u>2,877</u> | <u>4,763</u> | <u>1,886</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(30,000)</u> | <u>(30,000)</u> | <u>(1,000)</u> | <u>29,000</u> |
| Total Other Financing Sources (Uses) | <u>(30,000)</u> | <u>(30,000)</u> | <u>(1,000)</u> | <u>29,000</u> |
| Net change in fund balance | <u>\$ (27,123)</u> | <u>\$ (27,123)</u> | <u>3,763</u> | <u>\$ 30,886</u> |
| Fund balance - July 1, 2023 | | | <u>145,499</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 149,262</u> | |

**TOWN OF TRUCKEE
COMMUNITY FACILITIES DISTRICTS FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

| | <u>2023 - 2024 Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|---|------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Taxes and assessments | \$ 313,689 | \$ 313,689 | \$ 284,390 | \$ (29,299) |
| Use of money and property | <u>8,436</u> | <u>8,436</u> | <u>26,332</u> | <u>17,896</u> |
| Total Revenues | <u>322,125</u> | <u>322,125</u> | <u>310,722</u> | <u>(11,403)</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Public works | <u>194,500</u> | <u>194,500</u> | <u>135,932</u> | <u>58,568</u> |
| Total Expenditures | <u>194,500</u> | <u>194,500</u> | <u>135,932</u> | <u>58,568</u> |
| Excess of revenues over expenditures | <u>127,625</u> | <u>127,625</u> | <u>174,790</u> | <u>47,165</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(124,467)</u> | <u>(124,466)</u> | <u>(6,502)</u> | <u>117,964</u> |
| Total Other Financing Sources (Uses) | <u>(124,467)</u> | <u>(124,466)</u> | <u>(6,502)</u> | <u>117,964</u> |
| Net change in fund balance | <u>\$ 3,158</u> | <u>\$ 3,159</u> | <u>168,288</u> | <u>\$ 165,129</u> |
| Fund balance - July 1, 2023 | | | <u>757,411</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 925,699</u> | |

TOWN OF TRUCKEE
FACILITIES IMPACT FEES FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

| | <u>2023 - 2024</u> <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u> |
|---|---|-------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| <u>REVENUES</u> | | | | |
| Use of money and property | \$ 31,888 | \$ 31,888 | \$ 47,576 | \$ 15,688 |
| Charges for services | <u>708,180</u> | <u>708,180</u> | <u>310,675</u> | <u>(397,505)</u> |
| Total Revenues | <u>\$ 740,068</u> | <u>\$ 740,068</u> | <u>\$ 358,251</u> | <u>\$ (381,817)</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Public works | <u>7,425</u> | <u>7,425</u> | <u>3,486</u> | <u>3,939</u> |
| Total Expenditures | <u>7,425</u> | <u>7,425</u> | <u>3,486</u> | <u>3,939</u> |
| Excess (deficiency) of revenues over expenditures | <u>732,643</u> | <u>732,643</u> | <u>354,765</u> | <u>(377,878)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | - | - | 150,326 | 150,326 |
| Transfers out | <u>(30,000)</u> | <u>(30,000)</u> | <u>-</u> | <u>30,000</u> |
| Total Other Financing Sources (Uses) | <u>(30,000)</u> | <u>(30,000)</u> | <u>150,326</u> | <u>180,326</u> |
| Net change in fund balance | <u>\$ 702,643</u> | <u>\$ 702,643</u> | <u>505,091</u> | <u>\$ (197,552)</u> |
| Fund balance - July 1, 2023 | | | <u>1,745,126</u> | |
| Fund balance - June 30, 2024 | | | <u>\$ 2,250,217</u> | |

STATISTICAL SECTION

**TOWN OF TRUCKEE
DESCRIPTION OF STATISTICAL SECTION**

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the annual comprehensive financial report. The objectives of the statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess a government's economic condition.

| Contents | Page |
|--|-------------|
| Financial Trends | |
| These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time. | 103 - 107 |
| Revenue Capacity | |
| These schedules contain trend information to help the reader assess the Town's most significant local revenue source, the property tax. | 108 - 112 |
| Debt Capacity | |
| These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. | 113 - 114 |
| Economic and Demographic Information | |
| These schedules offer economic and demographic indicators to help the reader understand the environment within which the Town's financial activities take place. | 115 - 116 |
| Operating Information | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs. | 117 - 118 |

Sources: Unless otherwise noted, the information in these schedules were derived from the annual comprehensive financial reports for the relevant year.

**TOWN OF TRUCKEE
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Item 7.3

| | Fiscal Year | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 211,105,993 | \$ 211,494,188 | \$ 183,694,327 | \$ 178,887,436 | \$ 176,450,067 | \$ 165,043,525 | \$ 152,234,960 | \$ 149,571,493 | \$ 132,941,891 | \$ 124,887,323 |
| Restricted | 38,395,073 | 38,398,426 | 36,280,802 | 38,686,161 | 35,928,365 | 34,485,567 | 32,907,936 | 21,173,293 | 20,719,606 | 18,234,549 |
| Unrestricted | 79,300,621 | 55,663,969 | 65,635,889 | 46,095,677 | 41,578,316 | 44,933,824 | 43,204,578 | 48,245,938 | 47,572,441 | 42,988,683 |
| Total governmental activities net position | \$ 328,801,687 | \$ 305,556,583 | \$ 285,611,018 | \$ 263,669,274 | \$ 253,956,748 | \$ 244,462,916 | \$ 228,347,474 | \$ 218,990,724 | \$ 201,233,938 | \$ 186,110,555 |
| Business-type Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 318,472 | \$ 378,872 | \$ 532,243 | \$ 686,635 | \$ 519,880 | \$ 623,941 | \$ 647,393 | \$ 738,848 | \$ 700,729 | \$ 538,002 |
| Restricted | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | 6,426,854 | 6,760,439 | 6,159,815 | 6,758,326 | 5,650,996 | 4,607,213 | 4,039,278 | 2,801,136 | 2,120,283 | 1,399,173 |
| Total business-type activities net position | \$ 6,745,326 | \$ 7,139,311 | \$ 6,692,058 | \$ 7,444,961 | \$ 6,170,876 | \$ 5,231,154 | \$ 4,686,671 | \$ 3,539,984 | \$ 2,821,012 | \$ 1,937,175 |
| Primary Government | | | | | | | | | | |
| Net investment in capital assets | \$ 211,424,465 | \$ 211,873,060 | \$ 184,226,570 | \$ 179,574,071 | \$ 176,969,947 | \$ 165,667,466 | \$ 152,882,353 | \$ 150,310,341 | \$ 133,642,620 | \$ 125,425,325 |
| Restricted | 38,395,073 | 38,398,426 | 36,280,802 | 38,686,161 | 35,928,365 | 34,485,567 | 32,907,936 | 21,173,293 | 20,719,606 | 18,234,549 |
| Unrestricted | 85,727,475 | 62,424,408 | 71,795,704 | 52,854,003 | 47,229,312 | 49,541,037 | 47,243,856 | 51,047,074 | 49,692,724 | 44,387,856 |
| Total primary government activities net position | \$ 335,547,013 | \$ 312,695,894 | \$ 292,303,076 | \$ 271,114,235 | \$ 260,127,624 | \$ 249,694,070 | \$ 233,034,145 | \$ 222,530,708 | \$ 204,054,950 | \$ 188,047,730 |

**TOWN OF TRUCKEE
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Item 7.3

| | Fiscal Year | | | | | | | | | |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|------------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 12,816,784 | \$ 11,455,506 | \$ 9,078,779 | \$ 8,168,742 | \$ 8,787,484 | \$ 6,237,715 | \$ 5,417,395 | \$ 4,975,164 | \$ 4,979,126 | \$ 6,239,048 |
| Public Safety | 13,199,090 | 8,956,144 | 6,172,003 | 8,135,739 | 8,084,783 | 7,399,669 | 7,396,552 | 5,665,387 | 5,987,258 | 5,853,651 |
| Public Works | 18,294,715 | 16,535,677 | 16,520,098 | 16,916,797 | 14,376,951 | 14,144,548 | 13,444,494 | 12,342,198 | 10,481,225 | 9,487,136 |
| Community Development | 1,737,821 | 1,642,702 | 2,636,918 | 1,291,870 | 1,135,132 | 1,117,180 | 976,230 | 848,210 | 1,352,297 | 648,742 |
| Facilities | 2,343,086 | 1,842,780 | 1,510,983 | 1,583,861 | 1,337,198 | 1,429,987 | 1,268,649 | 1,182,772 | 1,038,973 | 914,838 |
| Debt Issuance Costs | - | - | - | 1,000 | 188,298 | - | 183,814 | - | 91,568 | - |
| Interest | 327,986 | 350,421 | 371,476 | 392,409 | 501,891 | 551,509 | 517,411 | 430,256 | 499,446 | 505,254 |
| Total Governmental Activities | 48,719,482 | 40,783,230 | 36,290,257 | 36,490,418 | 34,411,737 | 30,880,608 | 29,204,545 | 25,443,987 | 24,429,893 | 23,648,669 |
| Business-type Activities: | | | | | | | | | | |
| Parking | \$ 722,927 | \$ 483,011 | \$ 499,999 | \$ 532,643 | \$ 523,586 | \$ 569,128 | \$ 557,586 | \$ 531,927 | \$ 495,924 | \$ 423,385 |
| Solid Waste | 6,235,352 | 5,364,871 | 5,029,104 | 1,587,705 | 4,542,402 | 4,105,531 | 1,154,597 | 3,233,031 | 3,329,507 | 3,129,633 |
| Building | 2,075,738 | 1,794,815 | 1,845,860 | 4,900,729 | 1,446,694 | 1,413,428 | 3,283,408 | 1,163,792 | 1,143,798 | 978,184 |
| Transit | 1,849,911 | 1,773,086 | 1,667,818 | 1,539,593 | 1,452,367 | 1,202,541 | 1,430,327 | 1,029,163 | 979,387 | 903,940 |
| Total Business-type Activities | 10,883,928 | 9,415,783 | 9,042,781 | 8,560,670 | 7,965,049 | 7,290,628 | 6,425,918 | 5,957,913 | 5,948,616 | 5,435,142 |
| Total Program Expenses | \$ 59,603,410 | \$ 50,199,013 | \$ 45,333,038 | \$ 45,051,088 | \$ 42,376,786 | \$ 38,171,236 | \$ 35,630,463 | \$ 31,401,900 | \$ 30,378,509 | \$ 29,083,811 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General Government | \$ 1,441,470 | \$ 1,211,860 | \$ 1,239,796 | \$ 890,871 | \$ 495,283 | \$ 586,656 | \$ 474,962 | \$ 1,343,632 | \$ 294,954 | \$ 310,490 |
| Public Safety | 293,916 | 241,795 | 172,949 | 252,069 | 251,332 | 329,773 | 469,477 | 397,806 | 464,665 | 404,737 |
| Public Works | 3,315,710 | 3,755,888 | 3,965,527 | 3,445,817 | 5,194,987 | 4,275,906 | 2,776,707 | 2,764,061 | 2,657,560 | 2,513,465 |
| Community Development | 298,229 | 239,521 | 199,122 | 244,373 | 243,305 | 213,894 | 263,166 | 266,342 | 221,552 | 209,679 |
| Operating Grants and Contributions | 2,662,227 | 5,425,857 | 6,686,504 | 3,783,461 | 2,753,015 | 2,507,012 | 3,273,215 | 2,235,459 | 2,689,496 | 1,817,302 |
| Capital Grants and Contributions | 13,533,986 | 6,378,056 | 5,494,990 | 2,624,048 | 2,889,027 | 3,098,820 | 2,077,820 | 3,061,374 | 9,139,433 | 5,622,054 |
| Total Governmental Activities | 21,545,538 | 17,252,977 | 17,758,888 | 11,240,639 | 11,826,949 | 11,012,061 | 9,335,347 | 10,068,674 | 15,467,660 | 10,877,727 |
| Business-type Activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Parking | \$ 682,779 | \$ 644,228 | \$ 789,727 | \$ 814,428 | \$ 799,608 | \$ 913,436 | \$ 921,623 | \$ 806,197 | \$ 730,518 | \$ 613,437 |
| Transit | 242,257 | 5,455,966 | 177,665 | 238,283 | 71,237 | 4,176,813 | 3,523,045 | 3,415,447 | 3,280,157 | 3,146,578 |
| Solid Waste | 6,023,666 | 1,996,865 | 5,089,736 | 4,986,176 | 4,582,673 | 1,875,457 | 1,877,151 | 1,535,230 | 1,539,441 | 1,580,072 |
| Building | 1,930,614 | 98,860 | 2,487,599 | 2,353,974 | 2,009,394 | 91,969 | 116,030 | 111,044 | 114,269 | 105,535 |
| Operating Grants and Contributions | 1,552,095 | 2,252,258 | 1,316,812 | 1,379,242 | 1,281,207 | 1,014,964 | 1,052,422 | 894,966 | 967,050 | 861,084 |
| Capital Grants and Contributions | 750,000 | 279,000 | - | - | 26,597 | - | 9,724 | 113,128 | 159,340 | - |
| Total Business-type Activities | \$ 11,181,411 | \$ 10,727,177 | \$ 9,861,539 | \$ 9,772,103 | \$ 8,770,716 | \$ 8,072,639 | \$ 7,499,995 | \$ 6,876,012 | \$ 6,790,775 | \$ 6,306,706 |
| Total Program Revenues | \$ 32,726,949 | \$ 27,980,154 | \$ 27,620,427 | \$ 21,012,742 | \$ 20,597,665 | \$ 19,084,700 | \$ 16,835,342 | \$ 16,944,686 | \$ 22,258,435 | \$ 17,184,433 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental Activities | \$ (27,173,944) | \$ (23,530,253) | \$ (18,531,369) | \$ (25,249,779) | \$ (22,584,788) | \$ (19,868,547) | \$ (19,869,198) | \$ (15,375,313) | \$ (8,962,233) | \$ (12,770,942) |
| Business-type Activities | 297,483 | 1,311,394 | 818,758 | 1,211,433 | 805,667 | 782,011 | 1,074,077 | 918,099 | 842,159 | 871,564 |
| Total Net (Expense)/Revenue | \$ (26,876,461) | \$ (22,218,859) | \$ (17,712,611) | \$ (24,038,346) | \$ (21,779,121) | \$ (19,086,536) | \$ (18,795,121) | \$ (14,457,214) | \$ (8,120,074) | \$ (11,899,378) |

TOWN OF TRUCKEE
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Item 7.3

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| General Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes | \$ 16,634,864 | \$ 15,782,871 | \$ 14,109,031 | \$ 13,089,533 | \$ 12,346,242 | \$ 11,758,850 | \$ 11,077,985 | \$ 10,545,888 | \$ 10,764,462 | \$ 10,179,159 |
| Sales Taxes | 12,382,002 | 12,152,718 | 12,128,296 | 11,485,138 | 9,096,828 | 8,477,710 | 8,291,007 | 7,449,475 | 6,392,339 | 5,594,587 |
| Transient Occupancy Taxes | 7,264,926 | 8,149,794 | 8,149,754 | 5,463,657 | 3,988,560 | 4,264,925 | 3,399,229 | 3,414,610 | 2,820,319 | 2,119,343 |
| Property transfer taxes | 401,731 | 342,337 | 537,555 | 591,441 | 297,422 | 306,968 | 305,873 | 267,385 | 235,007 | 204,493 |
| Franchise Taxes | 1,831,972 | 1,581,578 | 1,437,561 | 1,357,099 | 1,354,809 | 1,228,650 | 1,192,065 | 1,136,580 | 1,044,799 | 995,665 |
| Grants and cont - unrestricted | 2,467,464 | 2,271,609 | 2,082,868 | 1,948,039 | 1,853,127 | 1,764,085 | 1,642,396 | 1,552,710 | 1,479,859 | 1,388,301 |
| Interest and investment earnings | 5,254,361 | 1,764,227 | (1,343,365) | 527,874 | 2,971,351 | 2,482,727 | 1,072,770 | 700,842 | 951,368 | 662,457 |
| Contributed Capital | - | - | - | - | - | 5,128,464 | 1,653,967 | - | - | - |
| Miscellaneous | 3,163,058 | 426,678 | 1,954,962 | 516,959 | 222,893 | 442,958 | 1,041,929 | 374,948 | 414,752 | 306,132 |
| Transfers | 1,018,303 | 995,300 | 1,469,155 | (17,432) | 10,089 | 128,652 | (74,702) | 161,918 | (17,289) | 89,668 |
| Total General Revenues, Special Items, and Transfers | \$ 50,418,681 | \$ 43,467,112 | \$ 40,525,817 | \$ 34,962,308 | \$ 32,141,321 | \$ 35,983,989 | \$ 29,602,519 | \$ 25,604,356 | \$ 24,085,616 | \$ 21,539,805 |
| Business-Type Activities: | | | | | | | | | | |
| Interest and investment earnings | \$ 312,179 | \$ 97,247 | \$ (106,448) | \$ 30,910 | \$ 134,266 | \$ 120,420 | \$ 33,550 | \$ 17,416 | \$ 16,925 | \$ 10,104 |
| Miscellaneous | 14,656 | 33,912 | 3,942 | 14,310 | 9,878 | 12,083 | 8,519 | 8,551 | 7,464 | 5,296 |
| Transfers | (1,018,303) | (995,300) | (1,469,155) | 17,432 | (10,089) | (128,653) | 74,702 | (161,918) | 17,289 | (89,668) |
| Total Business-Type Activities | (691,468) | (864,141) | (1,571,661) | 62,652 | 134,055 | 3,850 | 116,771 | (135,951) | 41,678 | (74,268) |
| Total Primary Government | \$ 49,727,213 | \$ 42,602,971 | \$ 38,954,156 | \$ 35,024,960 | \$ 32,275,376 | \$ 35,987,839 | \$ 29,719,290 | \$ 25,468,405 | \$ 24,127,294 | \$ 21,465,537 |
| Change in Net Assets | | | | | | | | | | |
| Governmental Activities | \$ 23,244,737 | \$ 19,936,859 | \$ 21,994,449 | \$ 9,712,529 | \$ 9,556,533 | \$ 16,115,442 | \$ 9,733,321 | \$ 10,229,043 | \$ 15,123,383 | \$ 8,768,863 |
| Business-Type Activities | (393,985) | 447,253 | (752,903) | 1,274,085 | 939,722 | 785,861 | 1,190,848 | 782,148 | 883,837 | 797,296 |
| Total Change in Net Assets | \$ 22,850,752 | \$ 20,384,112 | \$ 21,241,546 | \$ 10,986,614 | \$ 10,496,255 | \$ 16,901,303 | \$ 10,924,169 | \$ 11,011,191 | \$ 16,007,220 | \$ 9,566,159 |

TOWN OF TRUCKEE
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Item 7.3

| | Fiscal Year | | | | | | | | | |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| General Fund: | | | | | | | | | | |
| Nonspendable | \$ 324,125 | \$ 476,499 | \$ 568,316 | \$ 541,004 | \$ 1,075,567 | \$ 403,015 | \$ 421,079 | \$ 376,446 | \$ 474,800 | \$ 449,614 |
| Restricted | 231,390 | 231,390 | 231,390 | 231,390 | 225,000 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 |
| Assigned | 27,477,871 | 31,857,905 | 30,931,945 | 25,417,083 | 19,951,309 | 18,868,761 | 19,248,909 | 17,304,888 | 19,257,564 | 17,237,444 |
| Unassigned | 37,830,843 | 29,732,088 | 22,141,627 | 15,314,069 | 15,492,846 | 17,645,651 | 14,561,128 | 12,600,668 | 12,142,620 | 9,263,960 |
| Total General Fund | <u>\$ 65,864,229</u> | <u>\$ 62,297,882</u> | <u>\$ 53,873,278</u> | <u>\$ 41,503,546</u> | <u>\$ 36,744,722</u> | <u>\$ 37,022,427</u> | <u>\$ 34,336,116</u> | <u>\$ 30,387,002</u> | <u>\$ 31,979,984</u> | <u>\$ 27,056,018</u> |
| All Other Governmental Funds: | | | | | | | | | | |
| Restricted | 12,046,017 | 33,826,016 | 35,034,244 | 34,282,509 | 30,356,639 | 28,530,302 | 27,762,651 | 21,789,400 | 20,982,571 | 18,129,549 |
| Assigned | - | 5,852,239 | 5,635,097 | 4,626,633 | 5,387,689 | 5,892,228 | 5,167,217 | 6,400,578 | 5,855,935 | 5,786,516 |
| Unrestricted | (700,692) | (5,827,930) | (4,665,333) | - | - | - | - | (721,109) | (231,519) | (661,796) |
| Total Other Governmental Funds | <u>\$ 11,345,325</u> | <u>\$ 33,850,325</u> | <u>\$ 36,004,008</u> | <u>\$ 38,909,142</u> | <u>\$ 35,744,328</u> | <u>\$ 34,422,530</u> | <u>\$ 32,929,868</u> | <u>\$ 27,468,869</u> | <u>\$ 26,606,987</u> | <u>\$ 23,254,269</u> |

TOWN OF TRUCKEE
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Item 7.3

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| REVENUES | | | | | | | | | | |
| Taxes and assessments | \$ 43,046,276 | \$ 41,722,016 | \$ 39,803,555 | \$ 35,381,795 | \$ 30,699,669 | \$ 29,260,008 | \$ 27,217,171 | \$ 25,516,747 | \$ 23,475,607 | \$ 21,314,945 |
| Licenses and permits | 751,847 | 722,367 | 716,535 | 558,435 | 263,681 | 233,771 | 274,295 | 277,997 | 244,501 | 215,433 |
| Fines and forfeitures | 299,029 | 92,996 | 55,169 | 143,311 | 128,511 | 157,670 | 291,166 | 227,804 | 322,734 | 292,404 |
| Use of money and property | 4,913,046 | 1,392,986 | (1,646,540) | 212,342 | 2,491,452 | 2,018,838 | 616,177 | 252,186 | 507,197 | 280,654 |
| Intergovernmental revenues | 8,883,128 | 10,530,486 | 7,615,199 | 4,698,750 | 5,302,311 | 3,748,676 | 5,882,725 | 4,261,168 | 12,502,059 | 8,269,258 |
| Charges for services | 3,234,762 | 3,522,958 | 3,720,528 | 3,177,675 | 4,703,864 | 4,127,983 | 2,587,361 | 3,382,184 | 2,289,399 | 2,145,820 |
| Other revenues | 10,664,416 | 2,238,341 | 2,101,209 | 1,183,696 | 1,933,089 | 1,822,693 | 1,518,414 | 633,532 | 1,696,714 | 827,860 |
| Total General Fund | <u>\$ 71,792,504</u> | <u>\$ 60,222,150</u> | <u>\$ 52,365,655</u> | <u>\$ 45,356,004</u> | <u>\$ 45,522,577</u> | <u>\$ 41,369,639</u> | <u>\$ 38,387,309</u> | <u>\$ 34,551,618</u> | <u>\$ 41,038,211</u> | <u>\$ 33,346,374</u> |
| EXPENDITURES | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General Government | \$ 12,536,103 | \$ 11,316,455 | \$ 8,536,402 | \$ 7,561,106 | \$ 7,925,226 | \$ 5,554,615 | \$ 4,838,178 | \$ 4,559,548 | \$ 4,536,009 | \$ 5,783,250 |
| Public Safety | 11,748,629 | 7,673,186 | 7,149,799 | 6,911,897 | 6,761,499 | 6,339,482 | 6,272,427 | 5,827,669 | 5,849,015 | 5,655,670 |
| Public Works | 9,078,623 | 8,943,642 | 8,663,880 | 7,903,009 | 6,903,549 | 7,447,709 | 6,964,386 | 7,573,538 | 6,436,288 | 5,264,000 |
| Community Development | 1,654,045 | 1,652,534 | 2,691,041 | 1,219,985 | 1,154,691 | 1,110,551 | 963,511 | 1,249,339 | 1,427,706 | 875,600 |
| Facilities | 2,246,265 | 1,844,793 | 1,513,649 | 1,569,851 | 1,299,140 | 1,409,768 | 1,235,254 | 1,183,377 | 1,030,033 | 921,305 |
| Debt Service: | | | | | | | | | | |
| Debt Service | - | - | - | 1,000 | 188,298 | - | 183,814 | - | 91,568 | - |
| Principal | 621,000 | 600,000 | 578,000 | 560,000 | 4,323,000 | 379,000 | 436,000 | 362,000 | 4,855,000 | 315,000 |
| Interest | 327,985 | 350,421 | 371,476 | 392,410 | 501,891 | 551,508 | 517,411 | 430,256 | 499,446 | 505,254 |
| Capital Outlay | 22,177,721 | 22,574,206 | 14,865,966 | 10,756,969 | 20,637,230 | 14,526,685 | 11,990,173 | 14,258,909 | 12,654,174 | 15,464,834 |
| Total Expenditures | <u>\$ 60,390,371</u> | <u>\$ 54,955,237</u> | <u>\$ 44,370,213</u> | <u>\$ 36,876,227</u> | <u>\$ 49,694,524</u> | <u>\$ 37,319,318</u> | <u>\$ 33,401,154</u> | <u>\$ 35,444,636</u> | <u>\$ 37,379,239</u> | <u>\$ 34,784,913</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>\$ 11,402,133</u> | <u>\$ 5,266,913</u> | <u>\$ 7,995,442</u> | <u>\$ 8,479,777</u> | <u>\$ (4,171,947)</u> | <u>\$ 4,050,321</u> | <u>\$ 4,986,155</u> | <u>\$ (893,018)</u> | <u>\$ 3,658,972</u> | <u>\$ (1,438,539)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Issuance of debt | \$ - | \$ - | \$ - | \$ - | \$ 5,205,951 | \$ - | \$ 4,498,662 | \$ - | \$ - | \$ - |
| Transfers in | 21,741,580 | 22,076,893 | 15,794,265 | 12,925,009 | 34,805,125 | 17,051,173 | 17,292,413 | 16,583,007 | 6,889,920 | 15,357,714 |
| Transfers out | (20,723,277) | (21,081,593) | (14,325,110) | (12,942,441) | (34,795,036) | (16,922,521) | (17,367,117) | (16,421,089) | (6,907,209) | (15,268,046) |
| Total Other financing sources (uses): | <u>\$ 1,018,303</u> | <u>\$ 995,300</u> | <u>\$ 1,469,155</u> | <u>\$ (17,432)</u> | <u>\$ 5,216,040</u> | <u>\$ 128,652</u> | <u>\$ 4,423,958</u> | <u>\$ 161,918</u> | <u>\$ (17,289)</u> | <u>\$ 89,668</u> |
| Net change in fund balances before special items | 12,420,436 | 6,262,213 | 9,464,597 | 8,462,345 | 1,044,093 | 4,178,973 | 9,410,113 | (731,100) | 3,641,683 | (1,348,871) |
| Extraordinary Item | - | - | - | (538,708) | - | - | - | - | - | 6,010,439 |
| Net Change in Fund Balance | <u>\$ 12,420,436</u> | <u>\$ 6,262,213</u> | <u>\$ 9,464,597</u> | <u>\$ 7,923,637</u> | <u>\$ 1,044,093</u> | <u>\$ 4,178,973</u> | <u>\$ 9,410,113</u> | <u>\$ (731,100)</u> | <u>\$ 3,641,683</u> | <u>\$ 4,661,568</u> |
| Debt service as a percentage of noncapital expenditures | 2.48% | 2.94% | 3.22% | 3.65% | 17.25% | 4.08% | 5.31% | 3.74% | 22.03% | 4.25% |

TOWN OF TRUCKEE
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Item 7.3

| Fiscal Year End | Residential Property | Commercial Property | Industrial Property (3) | Other Property* | Unsecured Property (3) | Less Exemptions | Taxable Assessed Value | Total Direct Tax Rate (1) (3) | Estimated Actual Taxable Value (2) | Factor of Taxable Assessed Value (3) |
|-----------------|----------------------|---------------------|-------------------------|-----------------|------------------------|-----------------|------------------------|-------------------------------|------------------------------------|--------------------------------------|
| 2015 | 4,868,951,957 | 352,854,053 | | 91,562,737 | | 93,874,975 | 5,219,493,772 | | 5,219,493,772 | |
| 2016 | 5,219,949,401 | 360,730,093 | | 87,977,181 | | 90,335,847 | 5,578,320,828 | | 5,578,320,828 | |
| 2017 | 5,479,041,917 | 375,095,503 | | 80,191,915 | | 83,324,884 | 5,851,004,451 | | 5,851,004,451 | |
| 2018 | 5,814,215,053 | 386,753,109 | | 80,571,933 | | 83,815,641 | 6,197,724,454 | | 6,197,724,454 | |
| 2019 | 6,012,126,106 | 182,344,860 | 22,327,787 | 517,926,665 | 84,569,122 | 90,661,952 | 6,728,632,588 | 0.197643 | 7,777,639,866 | 1.155902 |
| 2020 | 6,288,259,769 | 240,790,465 | 27,948,530 | 466,855,325 | 90,459,992 | 62,741,980 | 7,051,572,101 | 0.197643 | 8,630,775,904 | 1.223951 |
| 2021 | 6,655,993,220 | 277,888,868 | 41,455,156 | 449,662,686 | 89,940,357 | 94,506,927 | 7,420,433,360 | 0.197643 | 9,569,696,173 | 1.289641 |
| 2022 | 7,083,473,855 | 313,818,298 | 47,807,882 | 505,378,147 | 89,062,257 | 126,654,901 | 7,912,885,538 | 0.197643 | 13,217,084,641 | 1.670324 |
| 2023 | 7,815,447,847 | 326,801,078 | 52,526,925 | 515,245,210 | 104,137,159 | 171,964,986 | 8,642,193,233 | 0.197643 | 14,808,866,000 | 1.713554 |
| 2024 | 8,408,525,523 | 347,829,328 | 54,082,202 | 591,489,395 | 123,163,544 | 142,532,735 | 9,382,557,257 | 0.197643 | 14,601,274,747 | 1.556215 |

Source: Nevada County Assessor data, Avenu Insights & Analytics

Source: 2023 and Prior Years: Prior published ACFR

Data Unavailable

Table has been reformatted to comply with GASB No. 44 and include estimated actual value

Prior Year values are net of all exemptions

*Other Property includes State Unitary tax \$2606,835

(1) Total direct tax rate is the city share of the 1% Proposition 13 tax only for TRA 3-001

Tax rate is not adjusted for ERAF

(2) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices

Based on these calculations a multiplier value was extrapolated and applied to current assessed values

(3) 2019 was the first year presented. Prior year data was not available.

TOWN OF TRUCKEE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Item 7.3

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Direct Rates: | | | | | | | | | | |
| Town of Truckee* | 0.197643 | 0.197643 | 0.197643 | 0.197643 | 0.197643 | 0.197643 | 0.197643 | 0.197643 | 0.197643 | 0.197643 |
| County of Nevada | 0.802357 | 0.802357 | 0.802357 | 0.802357 | 0.802357 | 0.802357 | 0.802357 | 0.802357 | 0.802357 | 0.802357 |
| Total Direct Rate | <u>1.000000</u> |
| Overlapping Rates | | | | | | | | | | |
| Tahoe Forest Hospital 2007 | 0.0300 | 0.0307 | 0.0307 | 0.0187 | 0.0214 | 0.0209 | 0.0198 | 0.0234 | 0.0267 | 0.0300 |
| TTJUSD Series A 1998 Refunding 2010 | 0.0049 | 0.0060 | 0.0060 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0043 | 0.0044 | 0.0049 |
| TTJUSD Series A 1993 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| TTJUSD Series B 1993 | 0.0017 | 0.0019 | 0.0019 | 0.0000 | 0.0000 | 0.0000 | 0.0013 | 0.0015 | 0.0015 | 0.0017 |
| TTJUSD 1993 Refunding 2004 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0062 | 0.0059 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| TTJUSD SFID #1 1999 | 0.0337 | 0.0381 | 0.0381 | 0.0075 | 0.0277 | 0.0281 | 0.0300 | 0.0302 | 0.0300 | 0.0337 |
| TTJUSD SFID #1 2014 | 0.0000 | 0.0000 | 0.0000 | 0.0427 | 0.0435 | 0.0267 | 0.0364 | 0.0440 | 0.0338 | 0.0000 |
| Sierra College SFID #1 2004 | 0.0093 | 0.0117 | 0.0117 | 0.0122 | 0.0123 | 0.0125 | 0.0117 | 0.0123 | 0.0095 | 0.0093 |
| Total Overlapping Rate | <u>0.0796</u> | <u>0.0884</u> | <u>0.0884</u> | <u>0.0811</u> | <u>0.1111</u> | <u>0.0941</u> | <u>0.0992</u> | <u>0.1157</u> | <u>0.1059</u> | <u>0.0796</u> |
| Total Direct and Overlapping Rate | <u><u>1.0796</u></u> | <u><u>1.0884</u></u> | <u><u>1.0884</u></u> | <u><u>1.0811</u></u> | <u><u>1.1111</u></u> | <u><u>1.0941</u></u> | <u><u>1.0992</u></u> | <u><u>1.1157</u></u> | <u><u>1.1059</u></u> | <u><u>1.0796</u></u> |

Source: Nevada County Auditor data, Avenu Insights & Analytics

*Town direct rate is not adjusted for ERAF, Tax Rate Area Code 3-001 is represented.

TOWN OF TRUCKEE
ASSESSED VALUE OF PROPERTY BY USE CODE, TOWN-WIDE
FISCAL YEAR ENDED JUNE 30,

Item 7.3

| Category | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Residential | \$ 8,408,525,523 | \$ 7,815,447,847 | \$ 7,083,473,855 | \$ 6,655,993,220 | \$ 6,288,259,769 | \$ 6,012,126,106 |
| Commercial | 423,109,792 | 377,994,148 | 368,346,144 | 317,643,797 | 335,672,209 | 290,038,760 |
| Professional | 347,829,328 | 326,801,078 | 313,818,298 | 277,888,868 | 240,790,465 | 182,344,860 |
| Industrial | 110,367,924 | 100,451,565 | 100,177,350 | 95,403,820 | 90,544,258 | 88,171,717 |
| Institution | 54,082,202 | 52,526,925 | 47,807,882 | 41,455,156 | 27,948,530 | 22,327,787 |
| Rural | 48,138,864 | 27,239,025 | 25,654,928 | 25,489,656 | 25,873,155 | 63,855,166 |
| Miscellaneous | 7,020,164 | 6,836,989 | 8,480,964 | 8,409,072 | 5,643,700 | - |
| Vacant | 245,816 | 240,998 | 236,276 | 233,856 | 379,712 | - |
| Unknown | - | - | - | - | 6,259,806 | 73,494,622 |
| Gross Secured Value | <u>9,399,319,613</u> | <u>8,707,538,575</u> | <u>7,947,995,697</u> | <u>7,422,517,445</u> | <u>7,021,371,604</u> | <u>6,732,359,018</u> |
| State Unitary | 2,606,835 | 2,482,485 | 2,482,485 | 2,482,485 | 2,482,485 | 2,366,400 |
| Unsecured Value | 123,163,544 | 104,137,159 | 89,062,257 | 89,940,357 | 90,459,992 | 84,569,122 |
| Less Exemptions | (142,532,735) | (171,964,986) | (126,654,901) | (94,506,927) | (62,741,980) | (90,661,952) |
| Net Taxable Value | <u>\$ 9,382,557,257</u> | <u>\$ 8,642,193,233</u> | <u>\$ 7,912,885,538</u> | <u>\$ 7,420,433,360</u> | <u>\$ 7,051,572,101</u> | <u>\$ 6,728,632,588</u> |

Source: Nevada County Assessor Data, Avenu Insights & Analytics

TOWN OF TRUCKEE
 TOP 25 PROPERTY TAX PAYERS
 LAST FOUR FISCAL YEARS AND NINE YEARS AGO

| Taxpayer | 2024 | | 2015* | | 2023 | | 2022 | | 2021 | |
|------------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|
| | Taxable Value | Percent of Total City Taxable Value | Taxable Value | Percent of Total City Taxable Value | Taxable Value | Percent of Total City Taxable Value | Taxable Value | Percent of Total City Taxable Value | Taxable Value | Percent of Total City Taxable Value |
| Hidden Lake Properties Inc | \$ 34,506,403 | 0.37% | 18,637,386 | 0.36% | 26,777,104 | 0.31% | 27,289,494 | 0.34% | 27,253,759 | 0.37% |
| Coburn Crossing Apartments LLC | 34,371,314 | 0.37% | | | \$ 33,743,813 | 0.39% | \$ 39,167,167 | 0.49% | \$ 38,770,260 | 0.52% |
| Gateway at Donner Pass LP | 30,999,645 | 0.33% | 15,400,000 | 0.30% | 30,391,815 | 0.35% | 35,252,269 | 0.45% | 23,319,462 | 0.31% |
| 10640 Jibboom Truckee Holdings LLC | 28,912,030 | 0.31% | | | 30,021,929 | 0.35% | | | | |
| Truckee Meadows Water Authority | 26,711,784 | 0.28% | | | 26,191,197 | 0.30% | 25,678,274 | 0.32% | 25,419,052 | 0.34% |
| J Mar I Borrower LLC | 24,599,519 | 0.26% | | | 23,009,920 | 0.27% | 23,009,924 | #N/A | 12,791,853 | 0.17% |
| Village Basecamp LLC | 20,377,353 | 0.22% | | | 19,916,937 | 0.23% | 19,461,705 | 0.25% | | |
| Martis Creek LP | 16,782,972 | 0.18% | 12,368,000 | 0.24% | 16,453,895 | 0.19% | 16,131,271 | 0.20% | 15,641,000 | 0.21% |
| Schirell Truckee LLC | 13,784,280 | 0.15% | | | 13,514,000 | 0.16% | 12,669,914 | 0.16% | | |
| 267 Partners | 13,661,447 | 0.15% | 10,460,996 | 0.20% | 13,478,058 | 0.16% | 13,303,513 | 0.17% | 13,006,960 | 0.18% |
| Tahoe Donner Prop Owners Assoc | 12,418,803 | 0.13% | | | 10,422,478 | 0.12% | 9,997,100 | 0.13% | 10,814,400 | 0.15% |
| Truckee-Tahoe Lumber Company | 11,058,895 | 0.12% | | | 9,721,603 | 0.11% | 9,530,984 | 0.12% | 7,020,231 | 0.09% |
| Truckee Riverview Housing Assoc | 11,025,553 | 0.12% | | | 10,809,410 | 0.13% | | | | |
| Truckee Donner I LLC Etal | 10,913,090 | 0.12% | 6,390,000 | 0.12% | 10,910,850 | 0.13% | 10,907,120 | 0.14% | 8,088,600 | 0.11% |
| Suddenlink Communications | 9,889,622 | 0.11% | | | 8,631,870 | 0.10% | | | 8,316,241 | 0.11% |
| Longs Drug Stores California Inc | 9,348,962 | 0.10% | 7,400,000 | 0.14% | 9,165,217 | 0.11% | 9,049,890 | 0.11% | 9,015,563 | 0.12% |
| Joerger Associates LLC | 9,047,912 | 0.10% | 20,241,117 | 0.39% | 8,870,505 | 0.10% | 8,696,577 | 0.11% | 8,607,406 | 0.12% |
| Investment Specialty Group LLC | 8,386,934 | 0.09% | | | | | | | | |
| Tahoe Club Company LLC | 8,069,159 | 0.09% | 5,793,434 | 0.11% | 9,858,830 | 0.11% | 9,828,416 | 0.12% | 8,613,141 | 0.12% |
| JB Northwood LLC | 8,039,348 | 0.09% | | | | | | | | |
| Vista Truckee Tahoe LLC | 7,888,400 | 0.08% | 6,187,554 | 0.12% | 7,732,989 | 0.09% | 7,522,754 | 0.10% | 7,465,921 | 0.10% |
| American Petroleum LLC | 7,329,989 | 0.08% | | | 7,172,429 | 0.08% | 6,992,695 | 0.09% | 7,000,182 | 0.09% |
| P & M Marciano Capital LLC | 7,275,858 | 0.08% | 6,156,716 | 0.12% | 7,125,052 | 0.08% | 6,983,471 | 0.09% | 6,909,425 | 0.09% |
| Clearwater Land Co | 7,214,503 | 0.08% | 6,123,022 | 0.12% | 7,073,044 | 0.08% | 6,934,358 | 0.09% | 6,863,257 | 0.09% |
| Try Trout & Industrial LLC | 6,580,000 | 0.07% | | | | | | | | |
| Teichert Land Co | | | 7,810,211 | 0.15% | | | | | 7,048,121 | 0.09% |
| Safeway Inc | | | 7,184,997 | 0.14% | | | | | | |
| Truckee Development Associates LLC | | | 6,255,770 | 0.12% | | | 6,638,210 | 0.08% | 6,538,743 | 0.09% |
| Gateway East of Truckee LLC | | | 6,232,993 | 0.12% | 7,292,401 | 0.08% | 7,149,423 | 0.09% | 7,076,129 | 0.10% |
| NLT Old Greenwood Aquisin LLC Etal | | | 5,746,461 | 0.11% | | | | | | |
| TB Triple T Ventures LLC | | | 4,719,540 | 0.09% | | | 6,118,700 | 0.08% | 5,827,300 | 0.08% |
| Lucking Aprile L Trste Etal | | | 4,713,214 | 0.09% | | | | | | |
| McManus John R Trste | | | 4,695,579 | 0.09% | | | | | | |
| Truckee Crossroads SC LP | | | 4,335,000 | 0.08% | 6,303,600 | 0.07% | 6,303,600 | 0.08% | 5,481,500 | 0.07% |
| JHS Properties LP | | | 4,261,194 | 0.08% | | | | | | |
| Three Rs Llc | | | 4,250,000 | 0.08% | | | | | | |
| B & G Group Inc | | | 4,103,024 | 0.08% | | | | | | |
| Village at Grays Crossing LP | | | 3,906,910 | 0.07% | | | | | | |
| Harms Robert W Trste Etal | | | 3,820,000 | 0.07% | | | | | | |
| Total Top 25 Taxpayers | \$ 379,193,775 | 4.04% | \$ 187,193,118 | 3.59% | \$ 361,190,600 | 4.18% | \$ 358,380,115 | #N/A | \$ 298,030,906 | 4.02% |
| Total Taxable Value | \$ 9,382,557,257 | | \$ 5,219,493,772 | | \$ 8,642,193,233 | | \$ 7,912,885,538 | | \$ 7,420,433,360 | |

Source: Nevada County Assessor data, Avenu Insights & Analytics

* Secured data only. Unsecured data not available.

**TOWN OF TRUCKEE
PRINCIPAL SALES TAX PRODUCERS
LAST FISCAL YEAR AND NINE YEARS AGO**

Item 7.3

| 2024 | | 2015 | |
|--------------------------------------|----------------------|------------------------------|---------------------|
| Taxpayer | Business Type | Taxpayer | Business Type |
| A.Teichert & Son | Bldg.Matls-Whsle | A.Teichert & Son | Bldg.Matls-Whsle |
| Associated Building Supply | Bldg.Matls-Whsle | Bar of America | Restaurants |
| Bar of America | Restaurants | Beacon Service Stations | Service Stations |
| Chevron Service Stations | Service Stations | Chevron Service Stations | Service Stations |
| Consolidated Electrical Distributors | Bldg.Matls-Whsle | CVS/Pharmacy | Drug Stores |
| Edges Electrical Group | Electronic Equipment | Fast Lane Gas | Service Stations |
| Fast Lane Gas | Service Stations | Ferguson Enterprises | Bldg.Matls-Whsle |
| Ferguson Enterprises | Bldg.Matls-Whsle | Fifty Fifty Brewing Co. | Restaurants |
| J & L Food Mart | Service Stations | Flyers Energy | Service Stations |
| Marsh Ventures | Bldg.Matls-Whsle | Granite Electrical Supply | Bldg.Matls-Whsle |
| McDonald's Restaurants | Restaurants | J & L Food Mart | Service Stations |
| Moody's Bistro Bar & Beats | Restaurants | Marsh Ventures | Bldg.Matls-Whsle |
| Mountain Hardware and Sports | Bldg.Matls-Retail | Moody's Bistro Bar & Beats | Restaurants |
| Mountain Home Center | Furniture/Appliance | Mountain Hardware and Sports | Bldg.Matls-Retail |
| O'Reilly Auto Parts | Auto Parts/Repair | Mountain Home Center | Furniture/Appliance |
| Outdoor Living Supply | Miscellaneous Retail | Rite Aid Drug Stores | Drug Stores |
| Raley's Supermarket | Food Markets | Safeway Stores | Food Markets |
| Safeway Stores | Food Markets | Save Mart Supermarkets | Food Markets |
| Shell Service Stations | Service Stations | Shell Service Stations | Service Stations |
| Sierra Mountain Pipe and Supply | Bldg.Matls-Whsle | Tahoe Donner Association | Restaurants |
| Tahoe Donner Association | Restaurants | The Starthaus | Recreation Products |
| The Sports Exchange | Recreation Products | Truckee Paint Mart | Bldg.Matls-Retail |
| Truckee Paint Mart | Bldg.Matls-Retail | Truckee-Tahoe Lumber Co. | Bldg.Matls-Whsle |
| Truckee-Tahoe Lumber Co. | Bldg.Matls-Whsle | Union 76 Service Stations | Service Stations |
| Western Nevada Supply Co. | Bldg.Matls-Retail | Western Nevada Supply Co. | Bldg.Matls-Retail |

Source: Avenu Insights & Analytics

TOWN OF TRUCKEE
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

| Fiscal Year End | Lease Revenue Bonds | Subscription SBITA | Total Outstanding Debt | Percentage of Personal Income ¹ | Population ¹ | Debt per Capita |
|--------------------|-------------------------------------|-----------------------|---------------------------|---|-------------------------|--------------------|
| | Governmental Activities: | | | | | |
| 2015 | 9,175,000 | - | 9,175,000 | 1.40% | 16,184 | 567 |
| 2016 | 8,965,000 | - | 8,965,000 | 1.30% | 16,231 | 552 |
| 2017 | 8,603,000 | - | 8,603,000 | 1.20% | 16,277 | 529 |
| 2018 | 12,432,000 | - | 12,432,000 | 1.67% | 16,309 | 762 |
| 2019 | 12,053,000 | - | 12,053,000 | 1.58% | 16,434 | 733 |
| 2020 | 12,650,000 | - | 12,650,000 | 1.63% | 16,735 | 756 |
| 2021 | 12,090,000 | - | 12,090,000 | 1.44% | 16,213 | 746 |
| 2022 | 11,512,000 | - | 11,512,000 | 1.37% | 16,213 | 710 |
| 2023 | 10,912,000 | 644,612 | 11,556,612 | 1.06% | 16,676 | 693 |
| 2024 | 10,291,000 | 1,089,168 | 11,380,168 | 0.93% | 16,778 | 678 |

¹ Personal income and population are disclosed as part of the *Demographic and Economic Statistics*

**TOWN OF TRUCKEE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2024**

Item 7.3

Fiscal Year 2023-24 Assessed Value: \$ 8,664,704,367

| Governmental Unit: | Debt Outstanding at 6/30/2024 | Estimated Percentage Applicable ¹ | Town's Share of Debt at 6/30/2024 |
|--|-------------------------------------|--|--------------------------------------|
| Overlapping Tax and Assessment Debt | | | |
| Sierra Joint Community College District School Facilities Improvement District No. 1 | \$ 20,875,973 | 30.856% | \$ 6,441,490 |
| Tahoe-Truckee Joint Unified School District School Facilities Improvement District No. 1 | 89,504,917 | 50.880% | 45,540,102 |
| Tahoe Forest Hospital District | 91,465,000 | 30.847% | 28,214,209 |
| Tahoe Regional Finance Authority Community Facilities District No. 2019-2 | 2,580,000 | 100.000% | 2,580,000 |
| Truckee-Donner Public Utilities District Community Facilities District | 33,925,800 | 100.000% | 33,925,800 |
| TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT | | | \$ 116,701,601 |
| Direct and Overlapping General Fund Debt | | | |
| Nevada County General Fund Obligations | \$ 26,552,779 | 35.582% | \$ 9,448,010 |
| Nevada County Board of Education General Fund Obligations | 696,464 | 35.582% | 247,816 |
| Sierra Joint Community College District Certificates of Participation | 802,000 | 6.760% | 54,215 |
| Tahoe-Truckee Joint Unified School District Certificates of Participation | 36,785,000 | 29.394% | 10,812,583 |
| Town of Truckee General Fund Obligations | 10,912,000 | 100.000% | 10,912,000 |
| Truckee Donner Recreation and Park District Certificates of Participation | 17,115,584 | 94.087% | 16,103,540 |
| TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT | | | \$ 47,578,164 |
| Overlapping Tax Increment Debt (Successor Agency) | \$ 9,000,000 | 100% | \$ 9,000,000 |
| TOTAL DIRECT DEBT | | | 10,912,000 |
| TOTAL OVERLAPPING DEBT | | | 162,367,765 |
| COMBINED TOTAL DEBT | | | \$ 173,279,765² |
| Ratios to Fiscal Year 2020 Assessed Valuation: | | | |
| Total Overlapping Tax and Assessment Debt | | 1.35% | |
| Total Direct Debt (\$8,497,000) | | 0.13% | |
| Combined Total Debt | | 2.00% | |
| Ratios to Redevelopment Incremental Valuation (\$403,977,703): | | | |
| Total Overlapping Tax and Assessment Debt | | 2.23% | |

Source: California Municipal Statistics.

¹ The percentage of overlapping debt applicable to the Town is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the Town divided by the district's total taxable assessed value.

² Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligation.

**TOWN OF TRUCKEE
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

| Calendar Year | Population (1) | City Unemployment Rate (3) | Personal Income (In Thousands) | Per Capita Personal Income (2) | Median Age (4) | % Of Pop 25+ with High School Diploma or Higher (5) | % of Pop 25+ with Bachelor's Degree or Higher (5) |
|----------------------|-----------------------|-----------------------------------|---------------------------------------|---------------------------------------|-----------------------|--|--|
| 2015 | 16,184 | 5.4% | 654,060,176 | 40,414 | 38.0 | 92.5% | 41.0% |
| 2016 | 16,231 | 4.8% | 688,827,409 | 42,439 | 38.1 | 90.7% | 44.4% |
| 2017 | 16,277 | 4.1% | 714,527,746 | 43,898 | 38.1 | 91.8% | 43.0% |
| 2018 | 16,309 | 2.9% | 745,419,154 | 45,706 | 37.6 | 91.1% | 43.0% |
| 2019 | 16,434 | 2.2% | 760,565,520 | 46,280 | 40.5 | 90.8% | 44.5% |
| 2020 | 16,735 | 10.0% | 774,746,825 | 46,295 | 38.9 | 91.9% | 48.9% |
| 2021 | 16,213 | 2.1% | 842,346,415 | 51,955 | 40.2 | 94.6% | 51.9% |
| 2022 | 17,100 | 1.7% | 958,965,093 | 56,080 | 41.9 | 95.4% | 55.7% |
| 2023 | 16,676 | 3.9% | 1,090,804,842 | 65,412 | 41.9 | 94.6% | 58.5% |
| 2024 | 16,778 | 3.7% | 1,227,830,818 | 73,181 | 41.9 | 93.3% | 57.8% |

Source: Avenu Insights & Analytics

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the United States Census Data and is adjusted for inflation.
- 3.) Unemployment and Total Employment Data are provided by the EDD's Bureau of Labor Statistics Department.
- 4.) Median Age reflects the U.S. Census data estimation table.
- 5.) % of population with HS diploma and bachelors degree reflects the US Census Bureau data.

**TOWN OF TRUCKEE
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR**

| | 2024 | |
|---|--------------------------------|--|
| Business Name | Number of Employees | Percent of Total Employment (%) |
| Tahoe Forest Hospital | 838 | 8.90% |
| Tahoe Truckee Unified School District* | 633 | 6.72% |
| Town of Truckee | 157 | 1.67% |
| Safeway* | 132 | 1.40% |
| Mountain Hardware and Sports | 106 | 1.13% |
| Tahoe Donner Association | 100 | 1.06% |
| Truckee Donner Public Utility District | 75 | 0.80% |
| Truckee Fire Protection District | 58 | 0.62% |
| Truckee-Donner Recreation & Park District | 54 | 0.57% |
| Save Mart* | 42 | 0.45% |
| Mark Tanner Construction | | |
| Northstar Lodge | | |
| Bar of America | | |
| Total Top 10 Employers | 2,195 | 23.30% |
| Total City Labor Force (1) | 9,420 | |

2023 Source: Avenu Insights & Analytics

2019 Source: Direct correspondence with Town's local businesses.

2019 was the first year data was collected, therefore 2019 and 2023 are shown.

* Includes full & part-time employees

(1) Total Town Labor Force provided by EDD Labor Force Data.

TOWN OF TRUCKEE
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|
| Admin Services | 9.76 | 8.83 | 8.73 | 8.43 | 7.69 | 7.49 | 9.28 | 8.53 | 9.35 | 8.93 |
| Animal Services | 5.73 | 5.73 | 5.66 | 5.66 | 5.66 | 5.61 | 5.25 | 4.86 | 4.17 | 3.87 |
| Building | 8.81 | 10.56 | 8.36 | 8.61 | 8.51 | 9.49 | 8.44 | 8.12 | 7.77 | 5.36 |
| Code Compliance | 1.56 | 1.56 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 |
| Engineering | 10.21 | 10.17 | 7.69 | 7.9 | 8.45 | 8.16 | 7.7 | 8.18 | 7.83 | 5.84 |
| Facilities | 8.9 | 9.42 | 6.3 | 6.24 | 5.77 | 5.65 | 5.29 | 5.19 | 3.8 | 3.23 |
| Fleet Maintenance | 6.5 | 6.5 | 6.38 | 6.35 | 6.47 | 6.47 | 6.18 | 5.18 | 5.18 | 5.43 |
| Parking | 4.55 | 3.2 | 2.2 | 2.05 | 2.2 | 2.01 | 2.05 | 1.58 | 1.75 | 1.65 |
| Planning | 9.05 | 9.05 | 10.58 | 8.58 | 7.82 | 8.32 | 7.45 | 7.99 | 6.65 | 5.65 |
| Police | 36.65 | 35.32 | 36.95 | 32.43 | 32.28 | 31.87 | 32.21 | 33.11 | 32.55 | 32.34 |
| Road Maintenance | 13.28 | 13.33 | 12.99 | 12.93 | 12.77 | 12.7 | 12.61 | 12.11 | 11.69 | 11.76 |
| Snow Removal | 13.53 | 12.57 | 12.23 | 12.17 | 12.19 | 12.27 | 11.87 | 11.06 | 11.3 | 11.06 |
| Solid Waste | 1.62 | 2.08 | 2.08 | 1.98 | 2.28 | 2.8 | 1.78 | 1.6 | 1.6 | 1.6 |
| Town Attorney | 1.02 | 1.07 | 1.07 | 1.07 | 0.99 | 0.9 | 0.9 | 0.85 | 0.85 | 0.85 |
| Town Clerk | 5.38 | 4.73 | 4.83 | 4.83 | 4.58 | 4.78 | 4.53 | 4.65 | 4.15 | 4.15 |
| Town Manager | 1.2 | 1.25 | 1.09 | 1.09 | 1.09 | 1 | 1 | 0.95 | 0.95 | 0.95 |
| Transit | 1.41 | 1.61 | 1.26 | 1.11 | 1.11 | 1.11 | 0.88 | 0.95 | 0.95 | 0.95 |
| Successor Agency | 0.18 | 0.38 | 0.4 | 0.35 | 0.35 | 0.8 | 0.8 | 1.16 | 1.15 | 1.15 |
| Economic Development | 1.4 | 1.15 | 0.7 | 0.99 | 1.99 | 1.3 | 1.4 | 0.95 | 0.95 | 0.95 |
| Trails Maintenance | 2.37 | 0.87 | 0.75 | 0.75 | 0.75 | 0.87 | 1.02 | 0.9 | 0.9 | 0 |
| Brickelltown | 0 | 0 | 0 | 0 | 0.32 | 0.32 | 0.52 | 0.48 | 0 | 0 |
| Information Technology | 4.68 | 4.2 | 4.2 | 4.2 | 4.44 | 3.44 | 0 | 0 | 0 | 0 |
| Sustainability | 1.6 | 1.35 | 1.3 | 1 | 0.9 | 0 | 0 | 0 | 0 | 0 |
| Housing | 2.3 | 2.15 | 1 | 1 | | | | | | |
| Short Term Rental | 3.1 | 2.6 | 2 | | | | | | | |
| Inclusion and Community Er | 3.16 | 2.1 | | | | | | | | |
| Grand Total | 157.95 | 151.78 | 139.85 | 130.82 | 129.71 | 128.46 | 122.26 | 119.5 | 114.64 | 106.82 |

**TOWN OF TRUCKEE
OPERATING INDICATORS
LAST TEN FISCAL YEARS**

Item 7.3

| | Fiscal Year | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Public Safety: | | | | | | | | | | |
| Calls for service | 12,809 | 13,578 | 13,291 | 13,480 | 13,948 | 14,839 | 13,828 | 15,924 | 13,780 | 14,605 |
| Arrests | 396 | 256 | 213 | 238 | 371 | 487 | 469 | 437 | 394 | 425 |
| Parking Meter Revenue | \$ 593,034 | \$ 568,979 | \$ 736,530 | \$ 712,454 | \$ 706,331 | \$ 851,678 | \$ 826,943 | \$ 730,620 | \$ 638,097 | \$ 557,488 |
| Parking Citations Issued | 1,143 | 716 | 710 | 1,189 | 1,909 | 1,855 | 1,861 | 1,129 | 1,385 | 1,293 |
| Volunteer in Policing (VIP) Hours Served | 129 | 236 | 124 | 34 | 762 | 2,118 | 2,809 | 2,892 | 2,583 | 3,132 |
| Animal Services : | | | | | | | | | | |
| Animal Intakes | 1,258 | 1,233 | 1,141 | 1,028 | 914 | 1,120 | 1,136 | 991 | 1,066 | 1,077 |
| In-House Spay/Neuters | 415 | 660 | 608 | 534 | 450 | 562 | 555 | 552 | 541 | 648 |
| Animal Adoptions | 695 | 628 | 697 | 570 | 532 | 603 | 605 | 634 | 600 | 607 |
| Public Works | | | | | | | | | | |
| Road Miles Maintained | 170.00 | 162.00 | 158.49 | 158.49 | 158.49 | 158.49 | 158.30 | 157.73 | 157.73 | 155.11 |
| Community Development: | | | | | | | | | | |
| Residential Building Permits Issued | 3,498 | 449 | 1,403 | 1,191 | 1,139 | 1,021 | 1,218 | 1,093 | 962 | 639 |
| Commercial Building Permits Issued | 453 | 70 | 41 | 71 | 91 | 96 | 93 | 71 | 77 | 76 |
| Planning Projects Initiated | 179 | 160 | 152 | 141 | 162 | 183 | 172 | 158 | 144 | 112 |
| Transit: | | | | | | | | | | |
| Total Passengers | 32,410 | 41,913 | 31,134 | 25,319 | 28,492 | 24,226 | 19,118 | 18,111 | 22,201 | 25,051 |
| Total Expenses | \$ 1,849,911 | \$ 1,773,086 | \$ 1,667,818 | \$ 1,587,704 | \$ 1,452,367 | \$ 1,202,541 | \$ 1,154,597 | \$ 1,029,162 | \$ 1,283,108 | \$ 902,175 |
| Net Cost per Passenger to Town | \$ 57 | \$ 42 | \$ 54 | \$ 63 | \$ 51 | \$ 50 | \$ 59 | \$ 48 | \$ 50 | \$ 29 |
| Solid Waste: | | | | | | | | | | |
| Residential Parcel Service Fee | \$ 462.36 | \$ 423.48 | \$ 397.42 | \$ 391.22 | \$ 362.37 | \$ 360.40 | \$ 338.89 | \$ 292.86 | \$ 286.40 | \$ 277.54 |
| Residential Parcels Serviced | 12,659 | 12,591 | 12,659 | 12,498 | 12,498 | 12,140 | 12,040 | 11,828 | 11,644 | 11,627 |

Source: Town of Truckee and annual California State Controller's Office Transit Report

¹ Limited data tracking prior to fiscal 2011.

**TOWN OF TRUCKEE
SINGLE AUDIT AND RELATED REPORTS
FOR THE YEAR ENDED
JUNE 30, 2024**

**TOWN OF TRUCKEE
SINGLE AUDIT AND RELATED REPORTS
FOR THE YEAR ENDED JUNE 30, 2024**

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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 Town Council
Truckee, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Truckee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Town of Truckee's basic financial statements, and have issued our report thereon dated May 2, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Truckee'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 Town of Truckee's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Truckee's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Truckee'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*. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2024-001.

Town of Truckee's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Truckee's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town of Truckee's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

MUN CPAs, LLP

Sacramento, California
May 2, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Town Council
Truckee, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Truckee's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Truckee's major federal programs for the year ended June 30, 2024. Town of Truckee's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Town of Truckee's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Town of Truckee's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Truckee's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Truckee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Truckee's basic financial statements. We issued our report thereon dated May 2, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

MUN CPAs, LLP

Sacramento, California
May 2, 2025

**TOWN OF TRUCKEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

| <u>Federal Grantor/Pass-Through Grantor Program</u> | <u>Federal Assistance Listing (AL) Number</u> | <u>Pass-Through Entity Identifying Number/Grant Number</u> | <u>Federal Expenditures</u> |
|---|---|--|-----------------------------|
| U.S. Department of Housing and Urban Development | | | |
| Home Investment Partnership Program | 14.239 | Beginning Loan Balance | \$ 10,788,557 |
| Home Investment Partnership Program | 14.239 | Interest Income | 219,369 |
| Pass-Through State of California Department of Housing and Community Development: | | | |
| Community Development Block Grants | 14.228 | Beginning Loan Balance | 667,179 |
| Community Development Block Grants | 14.228 | Loan Payoffs | (19,677) |
| Community Development Block Grants | 14.228 | Interest Income | <u>250</u> |
| Total U.S. Department of Housing and Urban Development | | | <u>11,655,678</u> |
| U.S. Department of Justice | | | |
| Bulletproof Vest Partnership Program | 16.607 | 2019BUBX19098583 | <u>8,455</u> |
| Total U.S. Department of Justice | | | <u>8,455</u> |
| U.S. Department of Transportation | | | |
| Pass-Through State of California Department of Transportation: | | | |
| Formula Grants for Other than Urbanized Areas | 20.509 | 64BA22-02060 | 136,930 |
| American Rescue Plan Act Section Intercity Bus Formula Apportionments | 20.509 | 64T21-01885 | <u>153,806</u> |
| | | | <u>290,736</u> |
| Enhanced Mobility of Seniors & Individuals with Disabilities | 20.513 | 64AA21-02021 | <u>187,500</u> |
| Total U.S. Department of Transportation | | | <u>478,236</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 12,142,369</u> |

**TOWN OF TRUCKEE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1: REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Town of Truckee. The Town of Truckee reporting entity is defined in Note 1 of the Town's Annual Financial Report. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule. When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town and is presented on accounting principles generally accepted in the United States of America. The information in this schedule is presented on the accrual basis of accounting and in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 3: RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the Town's basic financial statements. Federal award revenues are reported principally in the Town's financial statements as intergovernmental revenues in the governmental funds.

NOTE 4: CLAIMS

The Town of Truckee has received federal grants for specific purposes that are subject to review and audit by the Federal Government pass-through entity. Although such audits could result in expenditure disallowance under grant terms, any required reimbursements are not expected to be material which have not already been recorded.

NOTE 5: LOANS OUTSTANDING

The programs listed below had the following aggregate federally funded loans outstanding at June 30, 2024:

| Federal AL Number | Program Title | Amount Outstanding |
|----------------------|--------------------------------------|-----------------------|
| 14.228 | Community Development Block Grants | \$ 647,752 |
| 14.239 | Home Investment Partnerships Program | <u>11,007,926</u> |
| | Total Loans Outstanding | <u>\$ 11,655,678</u> |

NOTE 6: INDIRECT COSTS

The Town elected not to use the 10% de minimus indirect cost rate, and did not charge indirect costs to federal grants during the year ended June 30, 2024.

**TOWN OF TRUCKEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

| | |
|---|---------------|
| Type of auditor's report issued: | Unmodified |
| Internal control over financial reporting: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified | None reported |
| Noncompliance material to financial statements noted? | No |

Federal Awards

| | |
|--|---------------|
| Internal control over major programs: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified? | None reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance | Yes |
| Identification of Major Programs: Home Investment Partnership Program, AL 14.239 | |
| Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| Auditee qualified as low-risk auditee? | No |

SECTION II - FINANCIAL STATEMENT FINDINGS

| | |
|--|----|
| Findings relating to the financial statements which are required to be reported in accordance with Generally Accepted <i>Government Auditing Standards</i> | No |
|--|----|

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

| | |
|--|----|
| Findings and questioned costs for Federal Awards, which includes audit findings and defined in section 200.516 of the Uniform Guidance | No |
|--|----|

**TOWN OF TRUCKEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Findings and questioned costs for Federal Awards, which includes audit findings defined in section 200.516 of the Uniform Guidance.

Finding 2024-001: Financial Reporting Timeliness (Repeat - Uniform Guidance Compliance)

Criteria

In accordance with CFR section 200.512 of the Uniform Guidance, the audit must be completed and the data collection form and reporting package must be submitted to the Federal Audit Clearinghouse within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period.

Condition

The 2024 Single Audit reporting package and data collection form have not been submitted to the Federal Audit Clearinghouse by the deadline of March 31, 2025.

Cause

Personnel turnover caused delays in the completion of the 2024 annual audit.

Effect

The filing of the Single Audit Reporting package and data collection form is past the due date.

Recommendation

We recommend the Town strive to close the year-end within 3 - 4 months after year-end in order to complete the annual financial audit timely.

View of Responsible Officials

The Town has implemented a year-end closing process. Once the Town becomes current this compliance issue will be mitigated.

**TOWN OF TRUCKEE
SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2024**

There were no findings to report for the year ended June 30, 2023.



**TOWN OF TRUCKEE
APPROPRIATIONS LIMIT CALCULATION
AS OF JUNE 30, 2024**



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



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Town Council of
the Town of Truckee
Truckee, California

We have performed the procedures enumerated below on the Appropriations Limit Calculation of the Town of Truckee (the Town) for the year ended June 30, 2024. The Town's management is responsible for the Appropriations Limit Calculation.

The Town of Truckee has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. Additionally, 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) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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 Town Council. We compared the population and inflation options included in the aforementioned calculations to those that were selected by a recorded vote of the Town Council.

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

2. For the Appropriations Limit Calculation, we added June 30, 2023's 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, 2023 appropriations limit presented in the appropriations limit calculation to the prior year appropriations limit adopted by the Town Council during the prior year.

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

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by Article XIII B of the California Constitution.

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. However, this report is a matter of public record and its distribution is not limited.

MUN CPAs, LLP

Sacramento, California
May 2, 2025

TOWN OF TRUCKEE
APPROPRIATIONS LIMIT CALCULATION
JUNE 30, 2024

| | Amount | Source |
|---|-----------------------------|-----------------|
| A. Prior year's appropriations limit (at June 30, 2023) | \$ <u>24,042,610</u> | |
| B. Adjustment factors for the current fiscal year: | | |
| 1. Population change | 0.9990 | * State Finance |
| 2. Inflation (per capita personal income change) | <u>1.0444</u> | * State Finance |
| Total adjustment | <u>1.0434</u> | * [(B1xB2)-1.0] |
| C. Annual adjustment | 1,042,382 | AxB |
| D. Other Adjustments | | |
| Lost responsibility (-) | - | |
| Transfer to fees (-) | - | |
| Assumed responsibility (+) | <u>-</u> | |
| Emergency Declared | <u>-</u> | |
| E. Total adjustments | <u>1,042,382</u> | C+D |
| F. Current year's appropriations limit (at June 30, 2024) | \$ <u><u>25,084,991</u></u> | A+E |

* Rounded to the nearest ten thousandth



May 2, 2025

To the Mayor and Town Council
Truckee, California

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Truckee 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, if applicable, *Government Auditing Standards* and the Uniform Guidance, 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 September 5, 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 the Town are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Town adopted Governmental Accounting Standards Board (GASB) Statement No. 99, *Omnibus 2022*, and No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. We noted no transactions entered into by the Town 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 Town's financial statements were:

Management's estimate of the depreciation is based on the Town's capitalization policy.

Management's estimates of OPEB and net pension liabilities are based on actuarially determined information.

Management's estimate of lease-related accounts is based on the present value of payments to be received or paid.

ROU subscription asset and subscription liability: Management's estimate of the ROU subscription asset and subscription liability is based on the present value of payments to be made.

We evaluated the methods, assumptions, and data used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

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. Attachment "A" summarizes misstatements detected as a result of our audit procedures which were corrected by management. Attachment "B" summarizes uncorrected misstatements identified during our audit procedures. Management determined these misstatements were not material to the consolidated financial statements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

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 May 2, 2025.

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 Town of Truckee'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 the Town of Truckee'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, budgetary comparison schedules for the General Fund and major special revenue funds, the schedule of proportionate share of the net pension liability, the schedule of contributions to the defined benefit pension plan, the schedule of changes in the net OPEB liability and related ratios, and the schedule of contributions to the OPEB plan, 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 the combining and individual fund financial statements and budgetary comparison schedules, 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.

We were not engaged to report on the introductory and statistical sections of the annual comprehensive financial report,, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Mayor, Town Council and management of The Town of Truckee 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 CPA's, LLP

**TOWN OF TRUCKEE
SUMMARY OF AUDIT ADJUSTMENTS
June 30, 2024**

| <u>Description</u> | <u>Effect - Increase (Decrease)</u> | | | | |
|--|-------------------------------------|-----------------------|---------------|---------------------|------------------|
| | <u>Assets</u> | <u>Liabilities</u> | <u>Equity</u> | <u>Revenue</u> | <u>Expenses</u> |
| <u>Current Year Differences</u> | | | | | |
| To record revenue for services performed in FY24 | \$ 249,576 | \$ 33,038 | | \$ 216,538 | |
| To correct deposits related to project transfer | | (3,623,749) | | 3,623,749 | |
| To record insurance and benefits payable | | 22,851 | | | 22,851 |
| To correct deposits related to project transfer | | (1,319,634) | | 1,319,634 | |
| To correct investment balance | (233,295) | | | (233,295) | |
| Total Income Statement Effect | | | | <u>\$ 4,926,626</u> | <u>\$ 22,851</u> |
| Balance Sheet Effect | <u>\$ 16,281</u> | <u>\$ (4,887,494)</u> | <u>\$ -</u> | | |

TOWN OF TRUCKEE
SUMMARY OF PASSED AUDIT ADJUSTMENTS
June 30, 2024

| <u>Description</u> | <u>Effect - Increase (Decrease)</u> | | | | |
|---|-------------------------------------|--------------------|---------------|------------------|-----------------|
| | <u>Assets</u> | <u>Liabilities</u> | <u>Equity</u> | <u>Revenue</u> | <u>Expenses</u> |
| <u>Current Year Differences</u> | | | | | |
| To record projected error related to unrecorded revenue | \$ 37,156 | | | \$ 37,156 | |
| Total Income Statement Effect | | | | <u>\$ 37,156</u> | <u>\$ -</u> |
| Balance Sheet Effect | <u>\$ 37,156</u> | <u>\$ -</u> | <u>\$ -</u> | | |