

# TRPA Operations & Governance Committee

*June 26, 2024*

## **AGENDA ITEM 3**

# Recommend Approval of May 2024 Financial Statements

6/25/2024

# TRPA Operations & Governance Committee

*June 26, 2024*

## Budget Update

- California
  - Budget agreement reached
  - TRPA funding for REAP and active transportation whole
- Nevada
  - Staff salary adjustment approved by Board of Examiners
  - Biennium covering July 2025 – June 2027

*June 26, 2024*

## May Highlights

- Revenue at 67% of budget
  - Planning fees ahead of prior year
  - Shoreline and AIS fees on track with budget
  - Grant implementation timelines shifting to 2025
- Expenditures at 62% of budget
  - Comp at 90%
  - Contracts at 44% and will shift with grants
  - Debt interest payment made June 1<sup>st</sup>

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# TRPA Operations & Governance Committee

*June 26, 2024*

## Actuals vs. Budget

*Fiscal YTD May 2024*

<b><i>Revenue</i></b>	<b>Budget</b>	<b>YTD</b>	<b>Remaining</b>	<b>%</b>
State Revenue	8,479,456	8,189,108	290,348	97%
Grants	14,069,747	4,778,083	9,291,663	34%
Fees for Service	4,069,663	4,013,912	55,751	99%
Local Revenue	150,000	150,000	0	100%
Rent Revenue	329,623	319,003	10,620	97%
TRPA Rent Revenue	688,980	631,565	57,415	92%
Other Revenue	100,000	680,983	<b>(580,983)</b>	681%
<b>Revenue Total</b>	<b>27,887,469</b>	<b>18,762,655</b>	<b>9,124,814</b>	<b>67%</b>
<i>Mitigation Revenue</i>		<i>2,451,111</i>		
<b><i>Total Revenue w/ Mitigation</i></b>	<b>27,887,469</b>	<b>21,213,765</b>	<b>6,673,703</b>	<b>76%</b>

# TRPA Operations & Governance Committee

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## Actuals vs. Budget

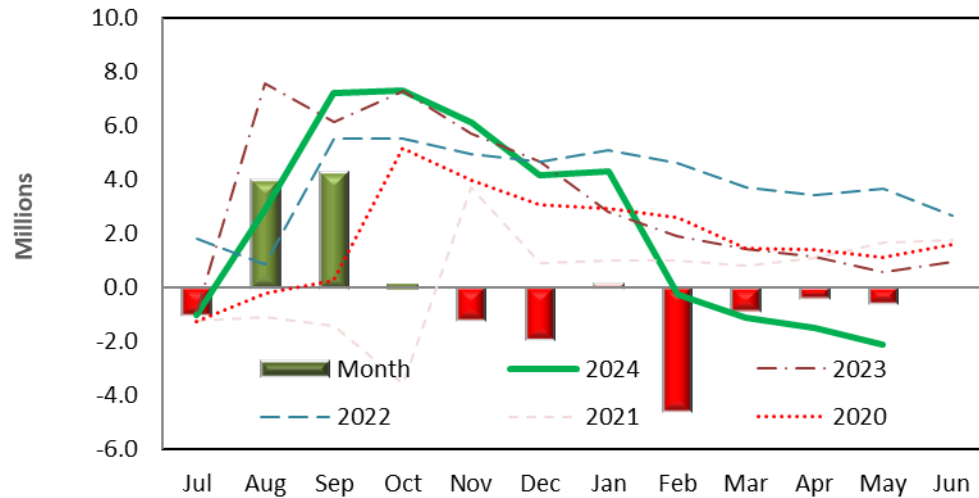
*Fiscal YTD May 2024*

<b>Expenses</b>	<b>Budget</b>	<b>YTD</b>	<b>Remaining</b>	<b>%</b>
Compensation	8,901,175	7,979,727	921,447	90%
Contracts	16,618,623	7,342,855	9,275,768	44%
Financing	620,260	451,818	168,442	73%
Rent	788,525	681,460	107,065	86%
Other	1,293,388	1,060,814	232,575	82%
A&O/Transfers	(13,838)	(21,352)	7,514	154%
<b>Expenses Total</b>	<b>28,208,133</b>	<b>17,495,322</b>	<b>10,712,811</b>	<b>62%</b>
<i>Mitigation Expense</i>		<i>5,046,917</i>		
<b>Total Expense with Mitigation</b>	<b>28,208,133</b>	<b>22,542,239</b>	<b>5,665,893</b>	<b>80%</b>

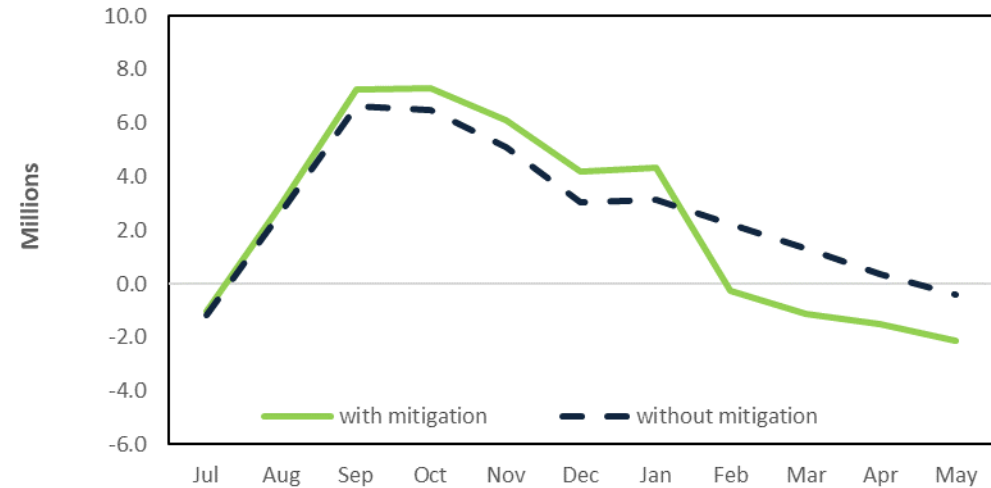
# TRPA Operations & Governance Committee

*June 26, 2024*

**Monthly/Cumulative Cash Flow**



**Cash Flow with and w/out Mitigation**



- \$0.4 cumulative cash usage YTD excluding mitigation through May
- \$2.5M in Mitigation Fees received and \$5.1M disbursed YTD

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# TRPA Operations & Governance Committee

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## Public Comment

### AGENDA ITEM 3

## Monthly Financials

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# TRPA Operations & Governance Committee

*June 26, 2024*

## **AGENDA ITEM 4**

# FY 2025 Budget

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# TRPA Operations & Governance Committee

*June 26, 2024*

## **The work plan and budget:**

- Reflects the priorities discussed in the May GB offsite
- Provides a framework for advancement of our thresholds
- Connects our core activities to mandates and funding sources
- Continues an ongoing process to improve the performance of the agency
- Invests in talent and empowers staff to drive mission-critical work

## Budget Highlights

- Funds the work plan strategic priorities & emerging issues
  - Tahoe Living
  - Keeping Tahoe Moving
  - Restoration and Resilience
- Balanced budget with use of remaining bond money
- Fully staffed; 75 permanent employees plus seasonal hires



# TRPA Operations & Governance Committee

June 26, 2024

**Tahoe Regional Planning Agency**  
*Fiscal Year 2024/2025 Proposed Budget (\$K)*

	Revenue	Expenses	Net
General Fund	9,470	8,491	979
Planning Fund	3,199	4,472	(1,274)
Shorezone Fund	362	303	58
<b>Total General Funds</b>	<b>13,030</b>	<b>13,267</b>	<b>(236)</b>
<b>Special Funds</b>			
AIS	9,134	9,134	0
EIP	3,580	3,580	0
Transportation	3,333	3,333	0
BMP	289	289	0
<b>Total Grants</b>	<b>16,336</b>	<b>16,336</b>	<b>0</b>
<b>Total Agency</b>	<b>29,366</b>	<b>29,602</b>	<b>(236)</b>

**\$2M increase in projected revenue**

- General fund balanced with use of remaining unspent Bond balance
- General fund revenues cover the shortfall in Planning Fund ... A&O not fully covered by fees
- Grants balanced
  - AIS includes \$1.0M fees for services and \$0.7M earmarked state funds

**Expenses cover the costs of the work plan**

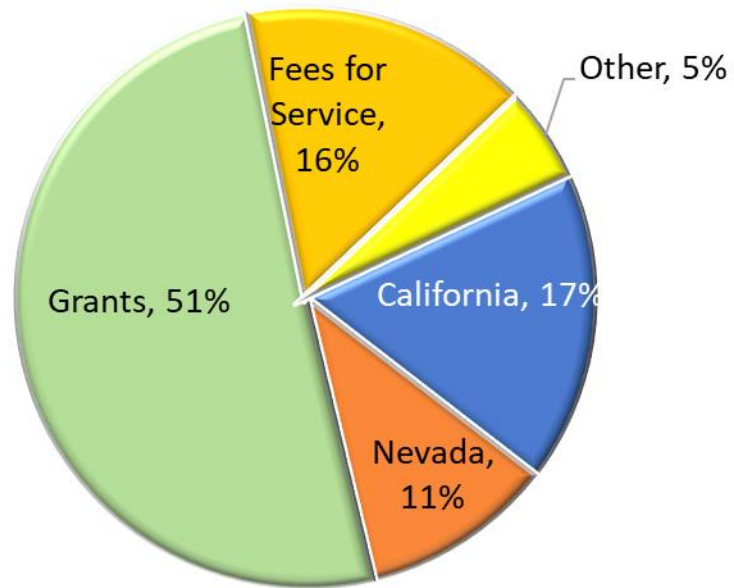
- Funds staffing
- Contracts to support priorities

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# TRPA Operations & Governance Committee

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Revenue by Source



## Diverse income streams from States, Grants, and Fees

- Grants flat at 51% of budget
- Income from CA and NV at 28% of income; CA 2/3, NV 1/3 excluding special funding
- Planning fees on budget for '24 and ramping up
- Other income in line with FY'24 actual interest

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# TRPA Operations & Governance Committee

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## Revenue Assumptions

- State funding known
  - Assumes \$430K from Nevada for salary increases
  - Assumes \$130K from California for salary increases
- Includes carryover from LTRA, Infrastructure, Housing, and OWP grants
- Increase in planning fees to cover costs
  - 5% inflation adjustment plus pass through for expediting
- Other income driven by investment interest income

# TRPA Operations & Governance Committee

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## Tahoe Regional Planning Agency

*Fiscal Year 2024/2025 Proposed Budget (\$K)*

Revenues	FY 25	FY 24	Change
General Fund	9,470	8,540	930
Planning Fund	3,199	2,826	372
Shorezone Fund	362	347	15
Total General Funds	13,030	11,713	1,317
<b>Special Funds</b>			
AIS	9,134	7,592	1,542
EIP	3,580	4,086	(506)
Transportation	3,333	3,516	(183)
BMP	289	292	(2)
Total Grants	16,336	15,486	850
<b>Total Agency Revenues</b>	<b>29,366</b>	<b>27,199</b>	<b>2,167</b>

## Year over year revenue drivers

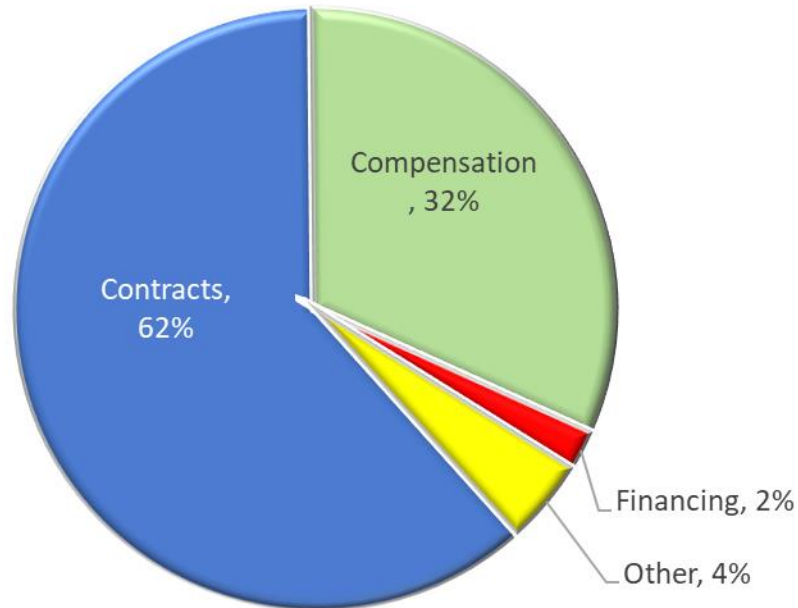
- General Fund increase \$0.9M, driven by \$0.6M investment interest income and \$0.2M state increase
- Planning fund fee increases to cover cost
- AIS increase driven by LTRA, infrastructure, and fees
- EIP Lahonton nearshore and survey grants finishing; Forest health and stormwater carry over from FY'24
- Transportation OWP; housing grant implementation timeline shifted to 2025
- Consistent BMP budget

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# TRPA Operations & Governance Committee

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## Expenditures



## Consistent cost structure versus prior fiscal year

### Contracts

- LTRA – assisting Forest Service with passing LTRA funds to project implementers
- Housing grants carry over from CA (REAP/HIT)
- Fiscal agent for the AIS program

### Compensation

- Fully staffed
- 4% average merit increase
- Benefits inflation

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# TRPA Operations & Governance Committee

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## **Expenditure Assumptions**

- Fully staffed; 4% salary increase based on performance market ranges
- Contracts increasing
  - Significant increases in LTRA contracting
  - \$236K of remaining Bond funds (retaining wall)





# TRPA Operations & Governance Committee

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## Tahoe Regional Planning Agency

*Fiscal Year 2024/2025 Proposed Budget (\$K)*

<b>Expenditures</b>	<b>FY 25</b>	<b>FY 24</b>	<b>Change</b>
General Fund	8,491	7,660	831
Planning Fund	4,472	3,947	526
Shorezone Fund	303	427	(124)
<b>Total General Funds</b>	<b>13,267</b>	<b>12,034</b>	<b>1,233</b>
<b>Special Funds</b>			
AIS	9,134	7,592	1,542
EIP	3,580	4,086	(506)
Transportation	3,333	3,516	(183)
BMP	289	292	(2)
<b>Total Grants</b>	<b>16,336</b>	<b>15,486</b>	<b>850</b>
<b>Total Agency Expenditures</b>	<b>29,602</b>	<b>27,519</b>	<b>2,083</b>

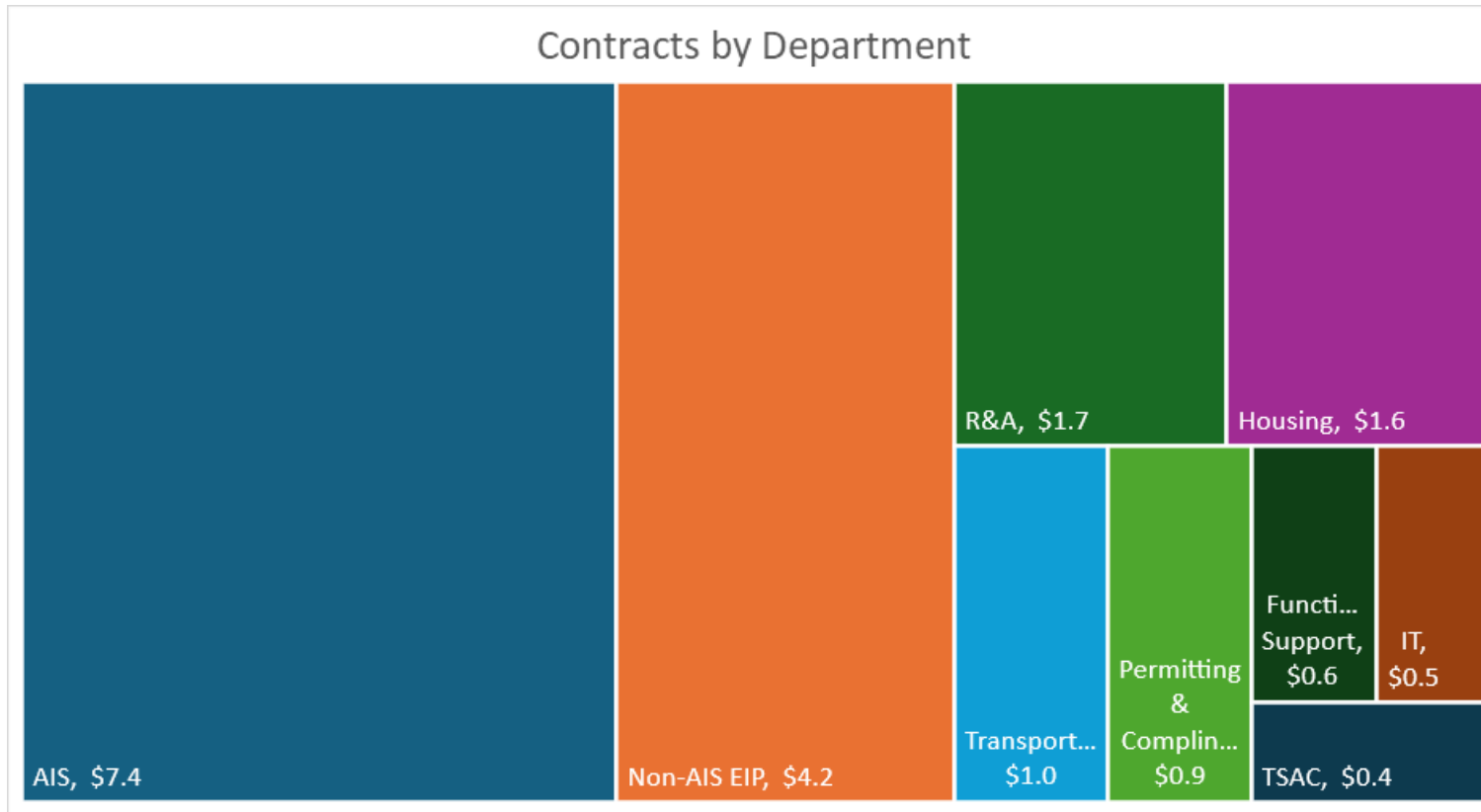
### Year over year expense drivers

- General Fund increase \$0.8M
  - Fully staffed for '25 and 4% salary increase
- Planning Fund driven by A&O and Contracts
- AIS driven by contracts
- EIP nearshore and monitoring grant completion
- Transportation reduction driven by grant completion

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# TRPA Operations & Governance Committee

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## Contracts Items of Interest

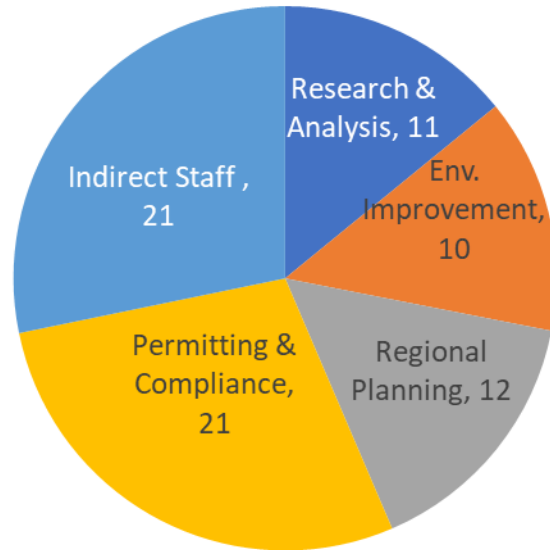
- AIS is primary contracting activity
  - \$2.2 TRCD
  - \$1.4 on-call work
  - \$0.9 MTS
  - \$0.7 UV light
- EI driven by LTRA forest health and water quality
- R&A mixture of monitoring and process improvement
- Housing includes the REAP grants
- Transportation is the OWP

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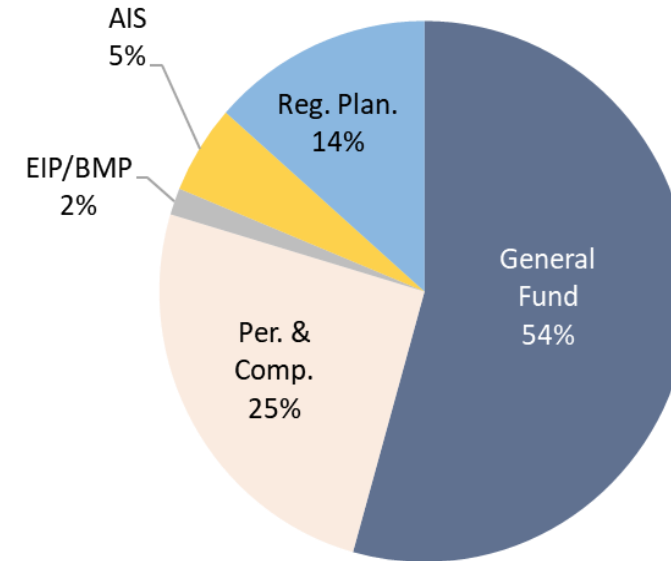
# TRPA Operations & Governance Committee

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Headcount by Department



Funding

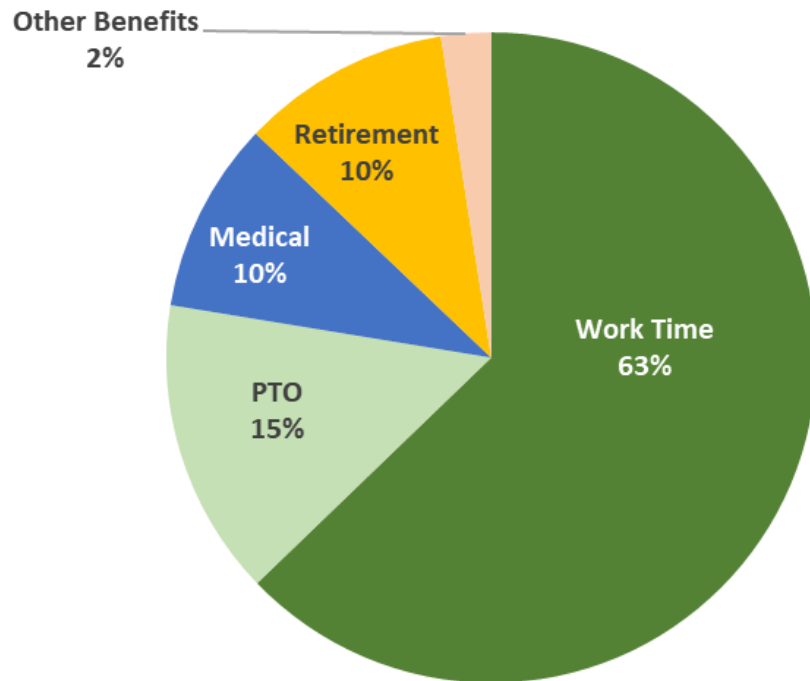


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# TRPA Operations & Governance Committee

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## Compensation Cost Breakdown



## Compensation Items of Interest

- Total compensation cost \$9.4M
- Progress made toward adjusting salary ranges
- Retirement contribution at 15% are below other Government entities
- PTO, Medical, and other benefits are competitive

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# TRPA Operations & Governance Committee

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## Ask:

- Approval for the overall expenditures of the agency.
- Approval for the grant agreements incorporated in the budget.
- Approval of the contract expenditures included in this budget.
- Approval for the staffing levels identified in this budget.
- Approval for an average 4% salary merit review for staff.
- Approval of an inflation increase (budgeted at 5%) to current planning fees (subject to final review by the Operations and Governance Committee in October).
- Authorize staff to make technical corrections to the final budget.



# TRPA Operations & Governance Committee

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## Public Comment

**AGENDA ITEM 5**

**FY 2025 Budget**

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# TRPA Operations & Governance Committee

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## AGENDA ITEM 6

# Upcoming Topics

# TRPA Operations & Governance Committee

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- July – No financial update, treasurer’s report only
- Future
  - Audit (interim in July,, presented December)
  - Planning fee inflation analysis in October
  - Treasury / Investment policy update
  - Process improvement





# TRPA Operations & Governance Committee

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## Public Comment

### AGENDA ITEM 6

## Upcoming Topics

6/25/2024