

**COMMUNICATIONS AND REPORTS**  
**NOVEMBER 19, 2024**

The following communications and reports were received, duly noted, and ordered placed on file with the Clerk:

**MONTHLY STATEMENTS/REPORTS**

- A. Office of the Washoe County Treasurer, Monthly Financial Statement for the month ending September 30, 2024.
- B. Clerk of the Court, Monthly Financial Statement for the month ending October 31, 2024.

**QUARTERLY STATEMENTS/REPORTS**

- A. Washoe County Clerk, Quarterly Financial Report for the quarter ending September 30, 2024.

**ANNUAL STATEMENTS/REPORTS**

- A. Western Regional Water Commission Financial Statements for the year ending June 30, 2024



# OFFICE OF THE WASHOE COUNTY TREASURER

MONTHLY STATEMENT OF WASHOE COUNTY TREASURER FOR  
MONTH ENDING SEPTEMBER 30, 2024

BOARD OF COUNTY COMMISSIONERS  
WASHOE COUNTY  
RENO, NEVADA

RE: NRS 354.280

Honorable Commissioners:

I hereby submit this summary record of the source and amount of all receipts, apportionments to, payments from and balances in all funds and separate accounts as required by referenced statute. Detailed information is available in my office.

CASH ON DEPOSIT	OUTSTANDING	BOOK BALANCE
\$64,267,300.21	\$812,598.55	\$63,454,701.66

INVESTMENTS (Reported at Market – All Groups)
\$974,893,995.23

Unapportioned Funds (Secured & Unsecured)			
Washoe County	Restricted Funds	Other Agencies	Total
\$11,218,612.47	\$3,101,303.47	\$23,248,705.11	\$37,568,621.05

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Brenda Mathers, Chief Deputy Treasurer

CLERK OF THE COURT  
MONTHLY FINANCIAL STATEMENT  
STATE OF NEVADA, COUNTY OF WASHOE  
Month Ending October 31, 2024

Alicia L. Lerud, Clerk of the Court, in compliance with NRS 19.090, and being first duly sworn, and under penalty of perjury, deposes and says that the following is a full and correct statement of all fees, percentages or compensation received in my official capacity during the preceding month:

Clerk of the Court	Law Library Fund	\$	6,465.00
	Additional Divorce Filing Fee	\$	165.00
	*County General Fund	\$	114,206.00
	eFile Fee (General Fund)	\$	30,000.00
	State Civil Fee	\$	19,799.00
	Legal Aid Filing Fee	\$	25,478.00
	TOTAL		<u>\$196,113.00</u>

  
Alicia L. Lerud  
District Court Administrator/Clerk of Court

\* Included in County General Fund are the following fees: balance of civil action, certified copies of all miscellaneous.

CASH REGISTER READOUT	
T, R, Rec. No. ( Doc. No)	

UNIT ID: CLERK - JUDICIAL  
 Date: November 5, 2024

FOR AUDIT AND CONTROL PURPOSES PLEASE INDICATE THE REASON FOR THIS COLLECTION.  
 (Attach any additional document if this would help to clarify the collection.)

**DISTRICT COURT FEES COLLECTED FOR Oct 2024**

CR/GF/OP	ACCOUNT DESCRIPTION	ACCOUNTING CODE NUMBERS			AMOUNT	
		ORDER	COST CENTER	ACCOUNT		
OP	Legal Aid (Washoe Legal Services) (01)		990023	441007	13,456.50	legalaid \$ 25,478.00
OP	Legal Aid (Elderly Indigent) Sr. Center (02)		250411	460720	4,701.50	
OP	State Civil (03)		990019	441022	13,664.00	state civil \$ 19,799.00
GF	Law Library (04)		123100	460222	6,465.00	law library \$ 6,465.00
GF	Clerk Fees (05,6,7)		120101	460210	30,292.00	general \$ 144,206.00
CR	DC Technology SB106 (06)	20038	120105	460210	574.00	
OP	Legal Aid (Washoe Legal Services) (08)		990023	441078	7,320.00	
GF	Additional Divorce Answer Fee (09)		120231	460220	165.00	add'l div \$ 165.00
GF	Mediation (10)		120331	471205	2,855.00	
OP	Neighborhood Justice Center (10J)		270710	460225	2,855.00	
GF	Arbitration (11)		120111	471215	-	
OP	Displaced Homemakers (12)		990019	441021	3,690.00	
GF	Divorce Training (13)		120231	460223	625.00	
GF	Family Mediation Fee (14)		120331	471210	900.00	
GF	CD Recording/Record on CD (15,17)		120311	485300	625.00	
OP	Vital Statistics (State of NV) (18)		990019	441004	1,250.00	
OP	State of NV (OAC / Tech) (19)		990019	441020	730.00	
OP	State of NV (OAC / Judges) (20)		990019	441019	365.00	
CR	Court Expansion Fees AB65 (21)	20326		460211	62,726.00	
CR	Court Security Fees AB65 (22)	20335		460213	11,420.00	
CR	Mtn to Modify Div SB388	20408		460214	770.00	
CR	Opp Mtn to Mod Div SB388	20409		460215	164.00	
GF	eFile Subscription		120106	460212	30,000.00	
GF	Attorney ID Badge Fee		120101	485320	-	
GF	Attorney ID Badge Fee PW		160100	485100	-	
GF	Law Library Fine/Fee		123100	485100	-	
OP	Foreclosure Mediation State (34)		990019	460121	100.00	
GF	Foreclosure Mediator (35)	20444		460220	400.00	
GF	Over/Short (Filing Office)		120231	711300	-	
<b>TOTAL</b>					<b>\$ 196,113.00</b>	

Prepared By: Valerie Moser

ACCEPTED BY: Justin Taylor  
 Washoe County Treasurer

**COUNTY CLERK'S QUARTERLY FINANCIAL STATEMENT  
STATE OF NEVADA, COUNTY OF WASHOE**

**1ST QUARTER FY 2024-2025  
JULY 1-SEPT 30**

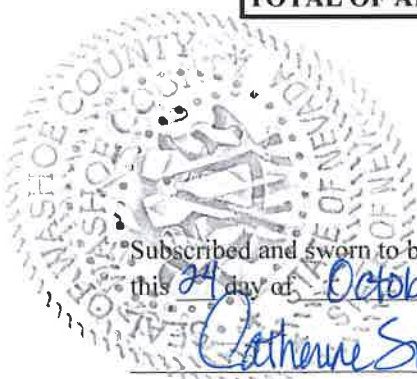
Janis Galassini, County Clerk, in compliance with NRS 19.090, and being first duly

<b>COUNTY FEES COLLECTED</b>	
<b>Fee Type</b>	<b>Quarterly Total</b>
<b>COUNTY GENERAL FUND FEES</b>	
Clerk Marriage Fees	\$ 33,306.00
Lost Marriage Application Fee	\$ -
Clerk Solemnization Fees	\$ 14,840.00
Fictitious Firm Name Fees	\$ 20,200.00
Notary Fees	\$ 4,170.00
Duplicate Filing Notice	\$ 6.00
Power of Attorney Fees	\$ -
Affidavit of Correction Fees	\$ -
Certificate of Search	\$ 72.00
Copy and Certification Fees	\$ 1,766.00
Recorder Marriage Fees	\$ 15,860.00
Passport Photos	\$ 8,760.00
Passport Execution	\$ 28,385.00
Passport Postage	\$ 184.05
Officiant Fees	\$ 5,625.00
CLERK TECHNOLOGY FUND	\$ 7,565.00
OVER/SHORT ADJUSTMENTS*	\$ (30.00)
<b>TOTAL COUNTY FEES COLLECTED</b>	<b>\$ 140,739.05</b>

\*OVER/SHORT ADJUSTMENTS NOT PART OF TOTAL COUNTY FEES COLLECTED

<b>STATE FEES COLLECTED</b>	
<b>Fee Type</b>	<b>Quarterly Total</b>
Domestic Violence Fees - Marriage	\$ 79,300.00
Domestic Violence Fees - Ceremony	\$ 1,060.00
State Marriage Fees	\$ 6,344.00
<b>TOTAL STATE FEES COLLECTED</b>	<b>\$ 86,704.00</b>

<b>TOTAL OF ALL FEES COLLECTED</b>	<b>\$ 227,443.05</b>
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Subscribed and sworn to before me  
this 24 day of October, 2024

Catherine Smith

Deputy Clerk

Jan Galassini

JANIS GALASSINI  
Washoe County Clerk

**WESTERN REGIONAL  
WATER COMMISSION**

*Financial Statements*

**JUNE 30, 2024**



**SchettlerMacy**  
& Associates LLC

CERTIFIED PUBLIC ACCOUNTANTS

# WESTERN REGIONAL WATER COMMISSION

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the  
Western Regional Water Commission

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Western Regional Water Commission (Commission) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission'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 financial position of the governmental activities and the General Fund of the Western Regional Water Commission as of June 30, 2024, and the respective changes in its financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Western Regional Water Commission 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*

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



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 Western Regional Water Commission's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### *Auditor's Responsibility for the Audit of the Financial Statements*

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

In performing an audit in accordance with GAAS and *Governmental 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 Western Regional Water Commission'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 Western Regional Water Commission'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 on pages 4 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2024, on our consideration of the Commission'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 Commission's internal control over financial reporting and compliance.

*Schettler Macy & Associates, LLC*

Reno, Nevada  
October 2, 2024

# WESTERN REGIONAL WATER COMMISSION

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

As management of the Western Regional Water Commission (Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Commission's financial statements, which follow this narrative.

The Commission was created on April 1, 2008 upon passage of 2007 Nevada Legislature Senate Bill 487 to improve water resource planning at the regional level and facilitate coordinated resource management among the four then existing public water purveyors of Washoe County (Truckee Meadows Water Authority, Washoe County Water Resources, Sun Valley General Improvement District and South Truckee Meadows General Improvement District).

A cooperative agreement was entered into upon the creation of the Commission among the following member agencies at the time: the cities of Reno and Sparks, the South Truckee Meadows General Improvement District, the Sun Valley General Improvement District, the Truckee Meadows Water Authority, and Washoe County, to form a Joint Powers Authority to operate the Commission.

On December 31, 2014, the Truckee Meadows Water Authority assumed the assets and obligations of the Washoe County and South Truckee Meadows General Improvement District water utilities. Washoe County is still in existence and plays an integral part in the cooperative agreement; however, the South Truckee Meadows General Improvement District has been dissolved. To this end, the Commission is directed by a Board of Trustees composed of members from each of the original governing agencies, excluding the South Truckee Meadows General Improvement District.

### **Financial Highlights**

- The Commission's Government-wide net position increased by \$299 thousand to \$2.58 million.
- The Commission's General Fund reported an increase in fund balance of \$302 thousand to \$2.61 million.

# WESTERN REGIONAL WATER COMMISSION

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

### Governmental Activities:

- General revenues increased by nearly \$107 thousand or 6.1% from the prior year.
- Expenses increased by \$11 thousand or 1% from the prior year.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements consist of three components: the 1) Government-wide financial statements, 2) Fund financial statements and 3) Notes to the financial statements.

### Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Commission's finances, similar in format to a financial statement of a private-sector business.

The *Statement of Net Position* presents information on all of the Commission's assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, with the balance reported as the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The *Statement of Activities* presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

### Fund Financial Statements

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. The Commission uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the Nevada Revised Statutes (NRS) and the Commission's regulations.

# WESTERN REGIONAL WATER COMMISSION

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Unlike the government-wide financial statements, fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

The Commission's General Fund is a governmental fund. Governmental funds focus on how assets can be readily converted into cash, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Commission's programs.

### Notes to Financial Statements

The notes to the financial statements provide additional information which is essential for a full understanding of the information provided in the government-wide and fund financial statements.

### Government-Wide Financial Analysis

The following is a summary of the Commission's government-wide Statement of Net Position as of June 30, 2024 and 2023:

#### WESTERN REGIONAL WATER COMMISSION NET POSITION

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current assets	\$ 2,961,254	\$ 2,669,428
<b>Liabilities</b>		
Current liabilities	355,974	365,867
Long-term liabilities	23,317	20,150
	<u>379,291</u>	<u>386,017</u>
<b>Net Position</b>		
Unrestricted	<u>\$ 2,581,963</u>	<u>\$ 2,283,411</u>

# WESTERN REGIONAL WATER COMMISSION

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## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

### Governmental Activities

The Commission's governmental activities for the years ended June 30, 2024 and 2023 are presented in the following table:

#### WESTERN REGIONAL WATER COMMISSION CHANGES IN NET POSITION

	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
General revenues:		
Water surcharge fees	\$ 1,761,288	\$ 1,694,315
Earnings on investments	88,893	48,854
Total Revenues	<u>1,850,181</u>	<u>1,743,169</u>
<b>Expenses</b>		
Services and supplies	<u>1,551,629</u>	<u>1,540,192</u>
Total Expenses	<u>1,551,629</u>	<u>1,540,192</u>
Change in Net Position	298,552	202,977
<b>Net Position, July 1</b>	<u>2,283,411</u>	<u>2,080,434</u>
<b>Net Position, June 30</b>	<u><u>\$ 2,581,963</u></u>	<u><u>\$ 2,283,411</u></u>

### Economic Factors / Next Year's Budget / Other Significant Matters

Overall, revenues and expenses for this fiscal year are within normal fluctuations compared to the previous year. Expenses saw a slight increase due to professional services, as well as staff and commission member training and travel. Water surcharge revenue and investment income have both risen. Management believes that revenue levels are sufficient and will remain stable, as member purveyors regularly monitor water rates to maintain an acceptable cash flow level for operations. Consequently, this stable revenue stream should continue to provide adequate financial resources for the Commission to achieve its goals and objectives.

# WESTERN REGIONAL WATER COMMISSION

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Unrestricted net position as of June 30, 2024 was \$2.58 million, whereas operating expenses in the June 30, 2025 budget are only \$525 thousand, or 17% of the total budget. All other budgeted expenses relate to projects and can be managed in a way that aligns with remaining resources and expected future revenues.

### REQUESTS FOR INFORMATION

This report is designed to provide an overview of the Commission's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to:

Western Regional Water Commission  
c/o Washoe County Community Services Department  
1001 E. Ninth Street  
Reno, NV 89512

## **FINANCIAL STATEMENTS**



# WESTERN REGIONAL WATER COMMISSION

## STATEMENT OF NET POSITION

JUNE 30, 2024

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2023)

	<b>GOVERNMENTAL ACTIVITIES</b>	
	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and investments	\$ 2,494,858	\$ 2,278,915
Accounts receivable	459,124	385,420
Interest receivable	7,272	5,093
Total Current Assets	<u>2,961,254</u>	<u>2,669,428</u>
<b>LIABILITIES AND NET POSITION</b>		
<b>Current Liabilities</b>		
Accounts payable	59,773	104,548
Accrued salaries payable	16,489	15,702
Due to other governments	279,712	245,617
Total Current Liabilities	<u>355,974</u>	<u>365,867</u>
<b>Accrued Compensated Absences</b>	<u>23,317</u>	<u>20,150</u>
Total Liabilities	<u>379,291</u>	<u>386,017</u>
<b>Net Position, Unrestricted</b>	<u>\$ 2,581,963</u>	<u>\$ 2,283,411</u>

See accompanying notes.

# WESTERN REGIONAL WATER COMMISSION

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## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023)

	<u>2024</u>	<u>2023</u>
<b>Program Expenses</b>		
Services and supplies	\$ 1,551,629	\$ 1,540,192
<b>General Revenues</b>		
Water surcharge fees	1,761,288	1,694,315
Unrestricted investment earnings	88,893	48,854
Total General Revenues	<u>1,850,181</u>	<u>1,743,169</u>
 Change in Net Position	 298,552	 202,977
 <b>Net Postion - July 1</b>	 <u>2,283,411</u>	 <u>2,080,434</u>
 <b>Net Position - June 30</b>	 <u><u>\$ 2,581,963</u></u>	 <u><u>\$ 2,283,411</u></u>

See accompanying notes.

# WESTERN REGIONAL WATER COMMISSION

## GOVERNMENTAL FUND BALANCE SHEET

JUNE 30, 2024

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2023)

	GENERAL FUND	
	2024	2023
<b>ASSETS</b>		
Cash and investments	\$ 2,494,858	\$ 2,278,915
Accounts receivable	459,124	385,420
Interest receivable	7,272	5,093
Total Assets	<u>\$ 2,961,254</u>	<u>\$ 2,669,428</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 59,773	\$ 104,548
Accrued salaries payable	16,489	15,702
Due to other governments	279,712	245,617
Total Liabilities	<u>355,974</u>	<u>365,867</u>
<b>FUND BALANCE</b>		
Assigned to subsequent year's budget	1,314,871	1,151,672
Unassigned	1,290,409	1,151,889
Total Fund Balance	<u>2,605,280</u>	<u>2,303,561</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 2,961,254</u>	<u>\$ 2,669,428</u>

See accompanying notes.

# WESTERN REGIONAL WATER COMMISSION

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## RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2024

**Fund Balance - Governmental Fund** \$ 2,605,280

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

Accrued compensated absences reported in the Statement of Net Position are not due and payable in the current period and therefore are not reported in the governmental fund.

(23,317)

**Net Position - Governmental Activities** \$ 2,581,963

*See accompanying notes.*

# WESTERN REGIONAL WATER COMMISSION

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GOVERNMENTAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023)

	<u>GENERAL FUND</u>	
	<u>2024</u>	<u>2023</u>
<b>REVENUES</b>		
Water surcharge fees	\$ 1,761,288	\$ 1,694,315
Earnings on investments	88,893	48,854
	<u>1,850,181</u>	<u>1,743,169</u>
<b>EXPENDITURES</b>		
Services and supplies	<u>1,548,462</u>	<u>1,531,321</u>
Net Change in Fund Balance	301,719	211,848
<b>FUND BALANCE, July 1</b>	<u>2,303,561</u>	<u>2,091,713</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 2,605,280</u></u>	<u><u>\$ 2,303,561</u></u>

*See accompanying notes.*

# WESTERN REGIONAL WATER COMMISSION

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## RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2024

**Net Change in Fund Balance - Governmental Fund** \$ 301,719

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

The change in accrued compensated absences is reported in the Statement of Activities. This does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental fund.

(3,167)

**Change in Net Position of Governmental Activities** \$ 298,552

*See accompanying notes.*

# WESTERN REGIONAL WATER COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024			2023
	Original And Final Budget	Actual	Variance To Final Budget	Actual
<b>REVENUES</b>				
Water surcharge fees	\$ 1,720,000	\$ 1,761,288	\$ 41,288	\$ 1,694,315
Earnings on investments	10,000	88,893	78,893	48,854
	<u>1,730,000</u>	<u>1,850,181</u>	<u>120,181</u>	<u>1,743,169</u>
<b>EXPENDITURES</b>				
Services and supplies	<u>2,881,672</u>	<u>1,548,462</u>	<u>1,333,210</u>	<u>1,531,321</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,151,672)	301,719	1,453,391	211,848
<b>FUND BALANCE, July 1</b>	<u>1,924,330</u>	<u>2,303,561</u>	<u>379,231</u>	<u>2,091,713</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 772,658</u></u>	<u><u>\$ 2,605,280</u></u>	<u><u>\$ 1,832,622</u></u>	<u><u>\$ 2,303,561</u></u>

See accompanying notes.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Reporting Entity*

The Western Regional Water Commission (Commission) was created on April 1, 2008 upon passage of 2007 Nevada Legislature Senate Bill 487 to improve water resource planning at the regional level and facilitate coordinated resource management among the public water purveyors of Washoe County. Previously, the four water purveyors consisted of the Truckee Meadows Water Authority, Washoe County Water Resources, Sun Valley General Improvement District and South Truckee Meadows General Improvement District. However, as of December 31, 2014, Washoe County Water Resources and South Truckee Meadows General Improvement District merged with the Truckee Meadows Water Authority.

A cooperative agreement was entered into upon the creation of the Commission by the following member agencies at the time: the cities of Reno and Sparks, the South Truckee Meadows General Improvement District, the Sun Valley General Improvement District, the Truckee Meadows Water Authority, and Washoe County, to form a Joint Powers Authority to operate the Commission. The Commission is currently directed by a Board of Trustees comprised of members from each of the original governing agencies, excluding the South Truckee Meadows General Improvement District.

#### *Measurement Focus, Basis of Accounting and Financial Statement Presentation*

The basic financial statements include both government-wide and fund financial statements.

#### *Government-Wide Statements*

The government-wide Statement of Net Position is presented on a full accrual, economic resource basis that recognizes all long-term assets as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the Commission's functions. The functions are also supported by the general government revenues. The Statement of Activities reduces gross expenses by related program revenues and operating grants. The Statement of Activities is also presented on a full accrual basis



# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

where revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place.

### *Fund Financial Statements*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available (susceptible to accrual). Interest and surcharges are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be measurable and available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures are recorded only when payment is due.

The General Fund is the Commission's sole fund; therefore, it accounts for all financial resources of the general government.

### *Accounts Receivable*

Accounts receivable arise from water surcharge fees. No allowance for doubtful accounts is required as all receivables are considered to be fully collectible (also see Note 6).

### *Compensated Absences*

As described in Note 6, the Commission entered into an agreement with Washoe County on November 8, 2008 to retain the services of certain assigned County employees to perform duties of the Commission. The Commission interprets this agreement to obligate the Commission to pay any applicable accrued vacation and sick pay for its assigned employees upon their termination. Accordingly, since the payroll reimbursement payments from the Commission to the County are exclusive of these termination payments, the Commission's policy is to provide for this obligation in their financial statements in the same manner as if the assigned employees were deemed to be actual employees of the Commission.

Earned vacation and compensatory time may each be accumulated up to a maximum of 240 hours. The earned vacation and compensatory time is payable upon termination and the liability is reported at the employees' current rate of pay.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Sick leave is only applicable for payout after 10 years of employment. Personnel are paid sick leave upon termination on half of the total accumulated hours in excess of 300 hours up to a maximum payout of 800 hours at 100% of an employee's then existing pay rate.

### *Revenue*

The Commission is funded by imposing a 1.5% surcharge fee on customer water bills. The surcharge fee is collected by each non-exempt water purveyor and supplier of water within the Washoe County planning area and remitted to the Commission.

### *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

### *Prior Year Information*

The basic financial statements include certain prior-year summarized information, but which is not at the level of detail required for a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Commission's financial statements for the year ended June 30, 2023, from which the summarized information was derived. Certain amounts presented in the prior year data may be reclassified to be consistent with the current year's presentation.

## **NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING**

The Commission adheres to the *Local Government Budget and Finance Act* incorporated within the statutes of the State of Nevada, which includes the following major procedures to establish the budgetary data which is reflected in these financial statements:

1. Prior to April 15, the Commission's Board of Trustees (the "Board") files a tentative budget with the Nevada Department of Taxation for the fiscal year beginning the following July 1. The tentative budget includes proposed expenditures and the means of financing them.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

- 2. Prior to June 1, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the Board’s members.
- 3. The Commission’s Program Manager is authorized to transfer appropriations between accounts within the Water Management Fund. Augmentations in excess of the original budget require approval from the Board.
- 4. Formal budgetary integration is employed as a management control device for the Commission’s General Fund. The budget is legally adopted, and its annual appropriations lapse at year-end.
- 5. Budgeted appropriations may not be exceeded by actual expenditures of the various programs in the budgeted governmental fund (the General Fund).
- 6. All budgets are adopted on a basis consistent with GAAP. The accompanying financial statements reflect the Original Budget and the Final Budget in one columnar presentation as there were no adjustments made to the Original Budget.

### NOTE 3 – CASH IN COUNTY TREASURY

Cash at June 30, 2024 consisted of the following:

Cash in County Treasury	<u>\$2,494,858</u>
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The Commission maintains all of its cash and investments with the Washoe County Treasurer in an investment pool. The Treasurer allocates interest to participants based upon their average balances. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County’s financial statements. The Washoe County financial statements may be obtained by contacting the Office of the Comptroller at 1001 E. Ninth Street, Room D-200, Reno, NV 89512. The Investment Committee oversees the Washoe County Treasurer’s investments and policies.

Investments held in the County’s investment pool are available on demand and are stated at fair value in accordance with GASB 72. The fair value of the Commission’s position in the pool equals the value of the pool shares.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

*Interest Rate Risk* – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from the rise in interest rates. To limit exposure to interest rate risk, the Nevada Revised Statutes limits bankers’ acceptances to 180 days maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. In accordance with Nevada Revised Statutes, the Commission limits its investment instruments by their credit risk. The Washoe County Investment Pool is an unrated external investment pool.

### NOTE 4 – LONG-TERM LIABILITIES

The following is a summary of long-term liability activity of the Commission for the year ended June 30, 2024:

	<u>June 30, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2024</u>	<u>Amount Due Within One Year</u>
Compensated absences	<u>\$ 20,150</u>	<u>\$ 3,167</u>	<u>\$ -</u>	<u>\$ 23,317</u>	<u>\$ -</u>

### NOTE 5 – NET POSITION AND FUND BALANCE

#### *Net Position*

Equity is classified as net position in the government-wide financial statements. Net position is categorized as invested in capital assets (net of related debt), restricted and unrestricted.

Net position is reported as restricted when there are limitations imposed on their use either through legislation or through external restrictions imposed by creditors or laws or regulations of other governments.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

As of June 30, 2024, the Commission's net position was comprised of:

- *Unrestricted Net Position* – Net position of the Commission which is not restricted for any project or other purpose.

### *Fund Balance*

The Commission has adopted Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes standards for fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The Commission reports the following classifications:

*Non-spendable* – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – amounts that can be used only for specific purposes determined by a formal action of the Board. The Board is the highest level of decision-making authority for the Commission. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

*Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board's adopted policy, only the Board may assign amounts for specific purposes.

Appropriated assigned fund balance is an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

*Unassigned* – the residual classification for the General Fund.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

When both restricted and unrestricted resources are available for use, it is the Board's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – as needed, unless the Board has provided for otherwise in its commitment or assignment actions.

### **NOTE 6 – RELATED PARTY TRANSACTIONS**

On November 8, 2008, the Commission entered into an agreement with Washoe County ("County") whereby the County will provide to the Commission, on a contractual and reimbursable basis, services of employees from the County's Community Services Department (assigned employees), who have historically been fully dedicated to supporting and performing the duties associated with planning and implementation of regional water matters. Assigned employees retain all rights and status of Washoe County employees.

The Commission reimburses the County for all actual costs for the services provided by the assigned employees, including wages, hours, compensatory time, sick leave, special sick leave, annual leave, insurance premiums, worker's compensation insurance, and all other benefits the County currently provides or may provide in the future. Reimbursable future obligations of the Commission include compensated absences, but do not include postemployment benefits. Total costs reimbursed by the Commission to the County for these services were \$486,092 for the year ended June 30, 2024.

In addition to the services provided by the assigned employees, routine and general administrative activities in support of the Commission's mission are provided by other personnel of the County. Total costs reimbursed by the Commission to the County for these services were \$24,479 for the year ended June 30, 2024.

As discussed in Note 1, the Commission derives its revenue from a surcharge on customer water bills within the region collected by water purveyors in Washoe County. Some members of the governing bodies of the purveyors are also members of the Commission's Board of Trustees. Total water surcharge revenues for the year ended June 30, 2024 were \$1,761,288, which includes accounts receivable of \$459,124.

# WESTERN REGIONAL WATER COMMISSION

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 7 – COMMITMENTS

On May 16, 2013, the Commission entered into an interlocal agreement with Truckee Meadows Water Authority (TMWA) to implement plans to manage and maximize the yield of regional water supplies in furtherance of the Truckee River Operating Agreement (TROA). Part of the TROA provides that Reno, Sparks and Washoe County agree to provide 6,700 acre-feet of water rights for water quality purposes. TMWA is actively engaged in the water rights market in the ordinary course of its operation of the public water system. Through this agreement the Commission committed Regional Water Management Fund monies up to \$2,700,000 to reimburse TMWA for costs incurred to purchase these water rights. Title of the water rights purchased under this agreement shall be conveyed to Reno, Sparks and Washoe County as tenants in common with undivided 1/3 interest each. Total costs for purchases made under this agreement through June 30, 2024 were \$2,652,769.

This agreement shall terminate in the event of a) thirty days written notice by either party; b) non-appropriation by the Commission; or c) upon expenditure of the \$2,700,000 as discussed above.

### NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 2, 2024, the date the financial statements were available to be issued. The Commission has determined there are no material transactions that have not been disclosed.

## **COMPLIANCE SECTION**





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

To the Board of Trustees of the  
Western Regional Water Commission

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 and the General Fund of the Western Regional Water Commission (the Commission) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated October 2, 2024.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the 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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 or significant deficiencies may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in black ink that reads "Schettler Macy & Associates, LLC". The signature is written in a cursive, flowing style.

Reno, Nevada  
October 2, 2024

# WESTERN REGIONAL WATER COMMISSION

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AUDITOR'S COMMENTS  
JUNE 30, 2024

## STATUTE COMPLIANCE

### *Current Year*

The Commission complied with all significant statutory constraints on its financial administration during the year.

### *Prior Year*

During the prior year, the Commission complied with all significant statutory constraints on its financial administration.

## AUDIT RECOMMENDATIONS

### *Current Year*

We did not note any financial weaknesses of a magnitude to justify inclusion within our report.

### *Prior Year*

There were no prior year recommendations related to financial statement weaknesses of a magnitude to justify inclusion within our report.