

F E B R U A R Y 2 0 2 4

IN THIS ISSUE

See a snapshot of TMWA's financial standing, including;

- Sources of Operating Revenue
- Expenses by the Dollar
- TMWA's Reduced Interest Expense Over 10 Years



Please visit

tmwa.com/financial-information

to access both the ACFR and PAFR.

TMWA'S POPULAR ANNUAL FINANCIAL REPORT: DESIGNED AND WRITTEN WITH CUSTOMERS IN MIND

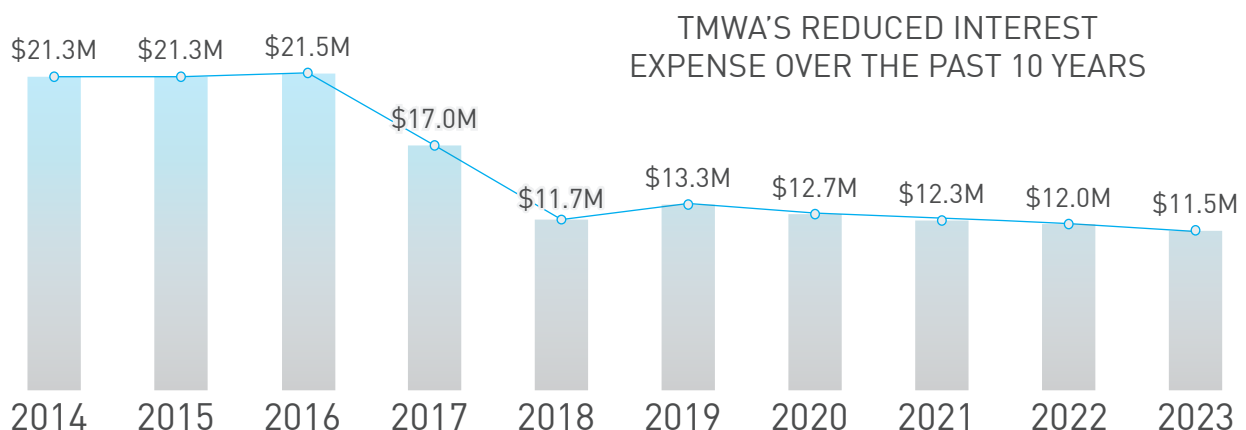
Through the release of the third annual Popular Annual Financial Report (PAFR), TMWA continues to make it easier than ever for our customers to access and understand the utility's financial position. The PAFR is a summary of the much longer Annual Comprehensive Financial Report (ACFR), which TMWA must submit to the State of Nevada each year. Audited by a third party, the ACFR is a formal, highly detailed document that ensures full transparency into TMWA's financial position. The ACFR was approved by TMWA's Board of Directors last December.

Key highlights of the PAFR include detail about important financial events of 2023 and provide perspective on TMWA's financial milestones since its formation 23 years ago. It also includes insight into how TMWA earned its top-tier credit rating.

"As a community-owned, not-for-profit utility, this report demonstrates ways we keep operating costs low and production capabilities robust—while maintaining the delivery of exceptional water quality as our highest priority," explained Matt Bowman, TMWA's Chief Financial Officer. "By reviewing this report online, customers will get insight into how TMWA accomplishes this from a financial perspective."

MEETING OUR OBLIGATIONS AND PAYING DOWN OUR DEBT

By issuing bonds to purchase Sierra Pacific Power Company's water business in 2001, TMWA became responsible for a debt repayment of \$452 million. This important investment secured permanent local control of our water resources. Since its founding, TMWA's strategic management of its financial obligations is one of the primary reasons why Moody's, S&P, and Fitch have upgraded TMWA's ratings over the years. This disciplined approach has clearly been successful. As of June 30, 2023, TMWA's total outstanding debt was \$351 million. Over the past decade, TMWA has reduced interest expense by 47% and has paid down \$156 million of its principal debt. This pay-down strategy has been accomplished by refunding older bonds and issuing newer ones with a lower interest rate, when favorable market conditions exist. Proactive approaches like this have helped strengthen TMWA's financial ratings, while also paying off debt faster.



THE BIG PICTURE ON TMWA'S FINANCIAL POSITION

TMWA's Net Position provides a point-in-time "snapshot" of the financial status for governmental organizations. Much like a balance sheet, Net Position provides insight into what government agencies own (assets) and what they owe (liabilities) at the end of each fiscal year. The figures below show TMWA's overall assets and liabilities as of June 30, 2023.

TOTAL ASSETS (IN MILLIONS)

\$1,313.3

TOTAL LIABILITIES (IN MILLIONS)

\$445.7

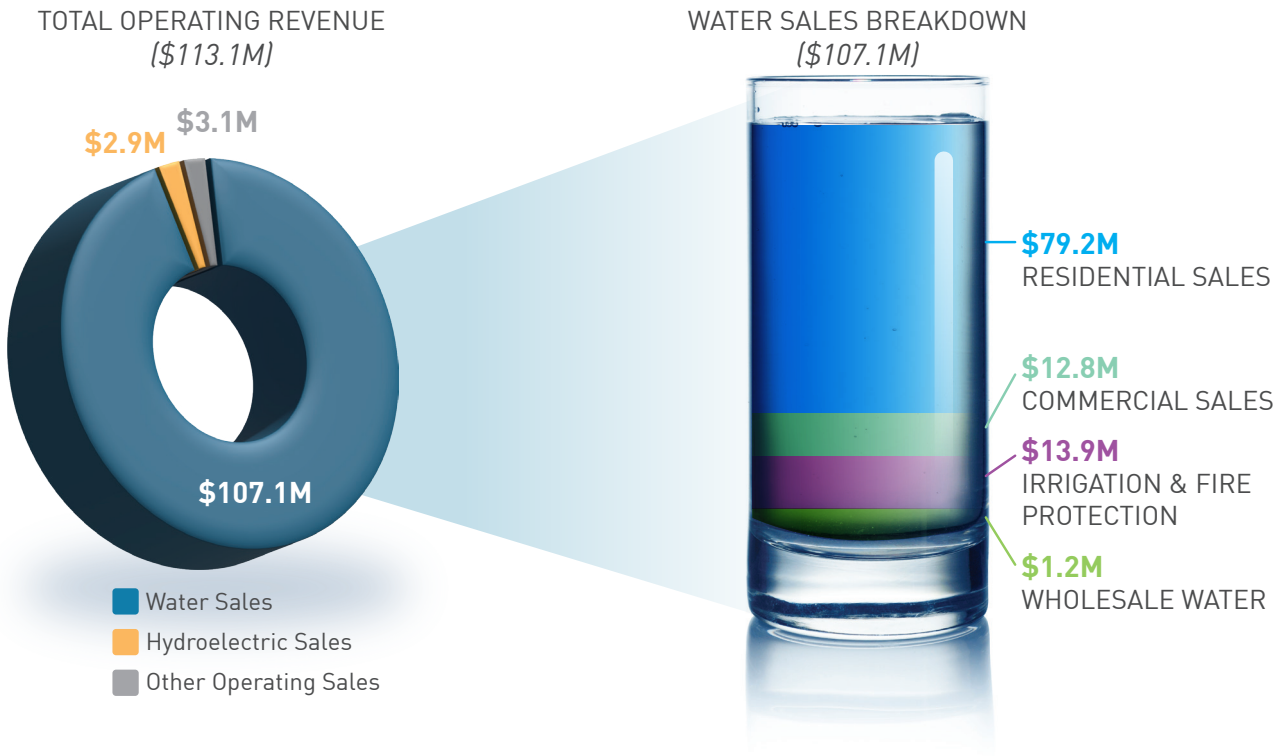
CURRENT LIABILITIES (IN MILLIONS)

\$50.6

REVENUE AND EXPENSES FOR FISCAL YEAR 2023

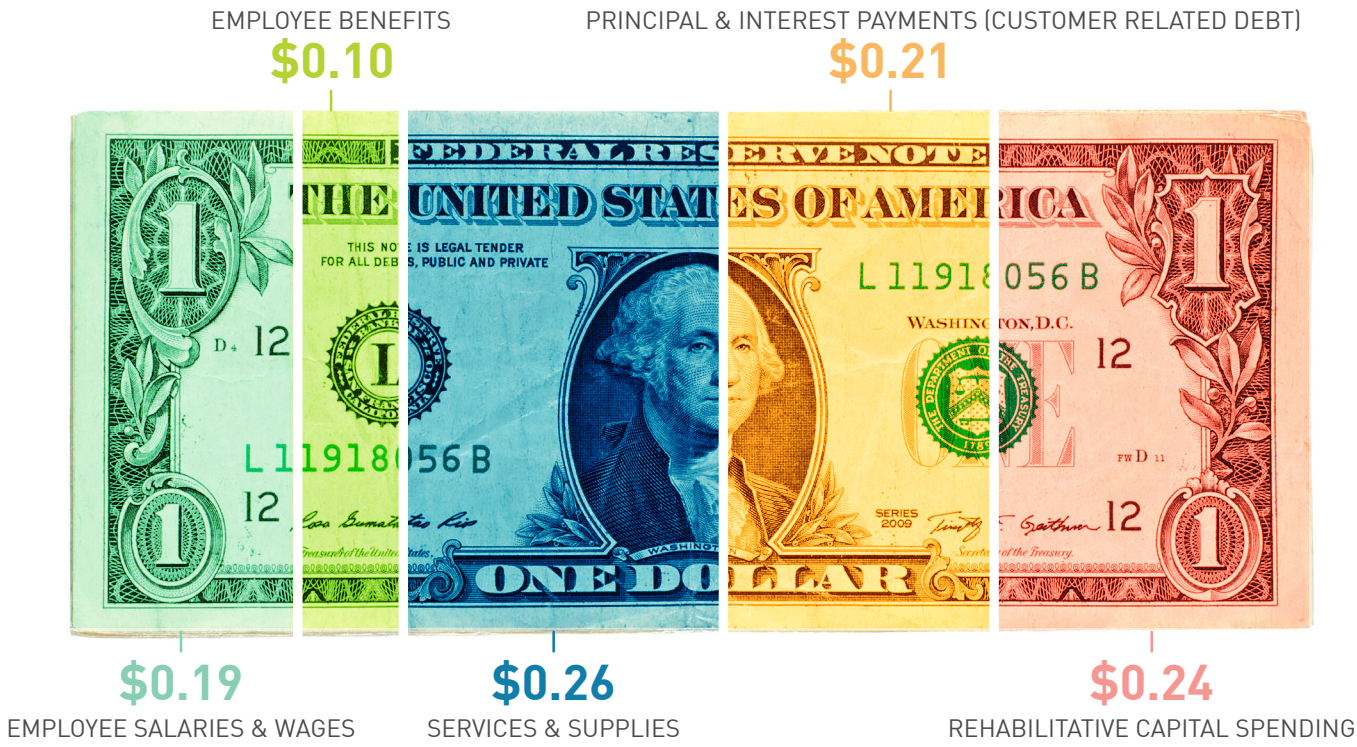
INCOMING: THE BIG PICTURE ON TMWA'S REVENUE

WATER SALES PROVIDE 95% OF OPERATING REVENUE



OUTGOING: HOW TMWA SPENDS BY THE DOLLAR

TMWA'S SPENDING ALLOCATIONS, REPRESENTED AS CENTS ON THE DOLLAR



To see the complete PAFR, visit tmwa.com/PAFR

WHERE TO CALL

- GENERAL INQUIRIES 775-834-8080
- EMERGENCY REPAIR 775-834-8090
- WATER CONSERVATION 775-834-8005
- WATER QUALITY 775-834-8118
- WATER RIGHTS 775-834-8029
- OMBUDSMAN 775-848-0813

EVENTS AND PUBLIC MEETINGS

TMWA BOARD OF DIRECTORS MEETING
MARCH 20, 10:00 A.M. – NOON

Find details of all workshops and meetings
at tmwa.com/meeting.



Truckee Meadows Water Authority is a not-for-profit, community-owned water utility, overseen by elected officials and citizen appointees from Reno, Sparks and Washoe County. TMWA employs a highly skilled team who ensure the treatment, delivery and availability of high-quality drinking water around the clock for more than 440,000 residents of the Truckee Meadows.

