AGENDA

JOINT MEETING OF THE LAS VEGAS VALLEY WATER DISTRICT BOARD OF DIRECTORS AND BIG BEND WATER DISTRICT BOARD OF TRUSTEES

JOINT MEETING
9:00 A.M. – NOVEMBER 3, 2026

COMMISSION CHAMBERS
CLARK COUNTY GOVERNMENT CENTER
500 S. GRAND CENTRAL PARKWAY, LAS VEGAS, NEVADA

Board of Directors
Marilyn Kirkpatrick, President
Jim Gibson, Vice President
April Becker
Justin Jones
William McCurdy II
Michael Naft
Tick Segerblom

John J. Entsminger,
General Manager

Date Posted: October 28, 2026

The Las Vegas Valley Water District makes reasonable efforts to assist and accommodate persons with physical disabilities who desire to attend the meeting. For assistance, call the Agenda Coordinator (702) 258-3277 at least 24 hours prior to the meeting.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS:

LAS VEGAS VALLEY WATER DISTRICT
1001 SOUTH VALLEY VIEW BOULEVARD
LAS VEGAS, NEVADA

CLARK COUNTY GOVERNMENT CENTER
500 SOUTH GRAND CENTRAL PARKWAY
LAS VEGAS, NEVADA

All items listed on this agenda are for action by the Board of Directors, unless otherwise indicated. Items may be taken out of order. The Board of Directors may combine two or more agenda items for consideration, and/or may remove an item from the agenda or delay discussions relating to an item on the agenda at any time.

Visit our website at https://www.lvvwd.com/lvvwd-agendas or main office at 1001 S. Valley View Boulevard, Las Vegas, Nevada for Las Vegas Valley Water District agenda postings, copies of supporting material and approved minutes. To receive meeting information, including supporting material, contact the LVVWD Agenda Coordinator at (702) 258-3277 or agendas@lvvwd.com.

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board of Directors will hear general comments from the public on items listed on the agenda. If you wish to speak to the Board about items within its jurisdiction, but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Please limit your comments to three minutes or less. Public comment can also be provided in advance of the meeting and submitted to publiccomment@lvvwd.com. Public comment received through November 2, 2026, will be included in the meeting's minutes.

ITEM NO.

1. *For Possible Action*: Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes from the regular meeting of October 6, 2026.

CONSENT AGENDA

Items 2 - 5 are routine and can be taken in one motion unless a Director requests that an item be taken separately.

2. *For Possible Action:* Approve and authorize the General Manager to sign an interlocal agreement, in substantially the same form as attached hereto, among Clark County; the cities of Las Vegas, Henderson, North Las Vegas, Boulder City and Mesquite; Southern Nevada Health District; Clark County Water Reclamation District; Clark County School District; Las Vegas Metropolitan Police Department; Clark County Regional Flood Control District; Clark County Department of Aviation; Regional Transportation Commission of Southern Nevada; Overton Power District No. 5; and the District for participation in a county-wide geographic information system project to provide data and aerial imagery for an annual funding fee not to exceed $49,946 per year through June 30, 2031, with an increase of up to 10 percent for each annual renewal period.

3. *For Possible Action:* Approve and authorize the General Manager to sign Change Order No. 4 to the existing contract with SHF International LLC to update a portion of the District's east administration building in the amount of $85,352 and increase the total contract time by 5 calendar days.

4. *For Possible Action:* Approve and authorize the General Manager to sign an amendment to the existing agreement between Welles Pugsley Architects, LLP, dba Simpson Coulter Studio and the District to provide professional architectural services in support of the Valley View Campus Warehouse Project for an amount not to exceed $2,962,536.

5. *For Possible Action:* Adopt a resolution authorizing the dissolution, winding up, and liquidation of the LVVWD CI, LLC, subject to the approval of the Nevada Division of Insurance, and authorizing related actions.

BUSINESS AGENDA

6. *For Possible Action:* Determine proposed changes to the District's Service Rules addressing the adoption of Assembly Bill 356 provisions, updates pertaining to property owner responsibility, revisions to certain fees and charges, requirements for new development, and other clarifying and non-substantive changes will not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business; consider and approve the attached Business Impact Statement; and direct staff to set a public hearing for December 1, 2026, for possible adoption of the proposed Service Rule changes.

7. *For Possible Action:* Accept the Las Vegas Valley Water District's Annual Comprehensive Financial Report, including the corresponding Independent Auditors' Report on Financial Statements and Other Supplementary Information for the Fiscal Year ended June 30, 2026, and authorize its submission to the Nevada Department of Taxation.

Big Bend Water District ***(Las Vegas Valley Water District Board of Directors sitting as the Big Bend Water District Board of Trustees)***

8. *For Possible Action:* Determine that the proposed changes to the Big Bend Water District's Service Rules adding fees for non-essential water use as water waste will not impose a direct and significant economic burden upon a business, or directly restrict the formation, operation or expansion of a business; consider and approve the attached Business Impact Statement; and direct staff to set a public hearing for possible adoption of the proposed changes for December 1, 2026.

9. *For Possible Action:* Accept the Big Bend Water District's Annual Financial Report, including the corresponding Independent Auditors' Report on Financial Statements and Other Supplementary Information for the Fiscal Year ended June 30, 2026, and authorize its submission to the Nevada Department of Taxation.

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board of Directors will hear general comments from the public on matters under the jurisdiction of the Las Vegas Valley Water District. Please limit your comments to three minutes or less.

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 6, 2026
MINUTES

CALL TO ORDER	9:00 a.m., Commission Chambers, Clark County Government Center, 500 South Grand Central Parkway, Las Vegas, Nevada
DIRECTORS PRESENT:	Marilyn Kirkpatrick, President Jim Gibson, Vice President April Becker Justin Jones William McCurdy II Michael Naft Tick Segerblom
STAFF PRESENT:	John Entsminger, Doa Ross, Colby Pellegrino, Andy Belanger, Greg Walch and Paul Johnson

Unless otherwise indicated, all members present voted in the affirmative.

COMMENTS BY THE GENERAL PUBLIC

For full public comment, visit www.lvvwd.com/apps/agenda/lvvwd/index.cfml

Laura McSwain, representing the Water Fairness Coalition, commented on item #4 and expressed concerns about the proposal to spend up to $7.5 million to replace evaporative cooling systems at the Springs Preserve. She noted that a similar project was approved in December 2024, when the Board authorized $2 million for engineering and design of an air-cooled chiller plant at the Valley View campus, primarily as a water conservation demonstration project. Ms. McSwain argued that, both then and now, staff had not provided sufficient information to justify the expenditure. She questioned whether ratepayers should fund these projects without sufficient data. She also referenced a previous request by Vice President Gibson for additional information on the Valley View project and stated she was unaware of any subsequent board discussion or update on its status. While acknowledging that aging equipment may need replacement, Ms. McSwain stated that the Board had not been provided with enough information to determine whether the proposed investment is necessary, cost-effective, or the best use of ratepayer funds. She urged staff to present a more comprehensive analysis. A copy of her comments is attached to these minutes.

ITEM NO.

1. Approval of Agenda & Minutes

FINAL ACTION: A motion was made by Vice President Gibson to approve the agenda and the minutes from the joint meeting of September 1, 2026. The motion was approved.

CONSENT AGENDA Items 2 – 3 are routine and can be taken in one motion unless a Director requests that an item be taken separately.

2. Approve and authorize the General Manager to sign, in substantially the same form as attached hereto, a second amendment to the existing interlocal agreement between the City of Henderson and the District that authorizes the City of Henderson to provide temporary potable water service to the Nevada Environmental Response Trust in an area of unincorporated Clark County previously supplied by the Basic Water Company.

3. (1) approve and authorize the General Manager to sign, in substantially the same form as attached hereto, six letter agreements, each of which is between the Clark County School District, the College of Southern Nevada, the Nevada Department of Administration, the Nevada Department of Corrections, the Nevada Department of Transportation and the University of Nevada-Las Vegas, and the District for the District to receive an additional allocation of Hoover electrical power under the same terms and conditions as its existing Hoover allocation for a term of ten years effective November 1, 2026; and (2) authorize the General Manager, or his designee, to enter into similar transactions for Hoover power for an amount not to exceed $500,000 per transaction.

FINAL ACTION: A motion was made by Vice President Gibson to approve staff's recommendations. The motion was approved.

BUSINESS AGENDA

4. Waive minor bid irregularities and award a contract to Mesa Energy Systems, Inc., in the amount of $6,777,900 for the replacement of the existing evaporative cooling systems in five buildings at the Springs Preserve with new air-cooled systems, authorize a change order contingency not to exceed $670,000, and authorize the General Manager to execute the construction agreement.

John Entsminger, General Manager, stated that the Springs Preserve opened nearly 20 years ago, and many of its cooling systems are approaching the end of their useful life. As these systems are replaced, the opportunity is being used to upgrade to more water-efficient technologies and improve overall water conservation.

FINAL ACTION: A motion was made by Vice President Gibson to approve staff's recommendations. The motion was approved.

5. Award a contract to Menichino Construction LLC in the amount of $20,900,000 for the South Boulevard 2745 Zone Reservoir Inlet/Outlet Pipeline Project, authorize a change order contingency not to exceed $1,500,000, and authorize the General Manager to sign the construction agreement.

FINAL ACTION: A motion was made by Vice President Gibson to award the contract. The motion was approved.

6. Adopt the 2026C Bond Resolution, including the Certificate of General Manager, providing for the issuance and sale of the District's General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) Water Improvement Bonds, Series 2026C, in the maximum principal amount of $515,000,000, and providing for the terms, security, sale, and other matters relating thereto.

Mr. Entsminger stated that this item has been reviewed by the board and has completed several steps, including approval by the Debt Management Committee on May 7, adoption of a Resolution of Intent on July 7, and a Public Hearing on August 4. It is now before the board for consideration, with the bond sale scheduled for October 20.

FINAL ACTION: A motion was made by Vice President Gibson to adopt the resolution. The motion was approved.

7. Adopt the 2026D Bond Resolution, including the Certificate of General Manager, providing for the issuance and sale of the District's General Obligation (Limited Tax) (Additionally Secured by Pledged Revenues) Water Refunding Bonds, Series 2026D, in the maximum principal amount of $88,055,000, and providing for the terms, security, sale, and other matters relating thereto.

Mr. Entsminger explained that, similar to the previous item, this proposed resolution has been reviewed by the Debt Management Committee and the board. The proposed bond refunding is expected to generate approximately $2.7 million in savings.

FINAL ACTION: A motion was made by Vice President Gibson to adopt the resolution. The motion was approved.

8. Adopt the 2027A Bond Resolution, providing for the issuance of General Obligation (Limited Tax) (Additionally Secured by Pledged Revenues) Water Bonds, Series 2027A, in the maximum principal amount of $93,000,000, and providing for the terms, security, sale, and other matters relating thereto.

Mr. Entsminger explained that similar to the previous two items, this proposed resolution has been reviewed by the Debt Management Committee and the board. The required Resolution of Intent has been adopted, the Public Hearing has been completed, and the bond sale is scheduled for March 9.

FINAL ACTION: A motion was made by Vice President Gibson to adopt the resolution. The motion was approved.

COMMENTS BY THE GENERAL PUBLIC

Laura McSwain expressed concerns about the transparency and public involvement surrounding proposed Service Rule changes. She requested greater disclosure regarding the financial justification for any additional revenue the changes may generate. Ms. McSwain also called for better public engagement, noting that a citizens advisory committee was previously used to review rate and Service Rule changes, and questioned why a similar process was not being utilized. She argued that Service Rules have significant implications for customers because they govern service and can lead to

enforcement actions. Additionally, she criticized what she viewed as a pattern of public involvement occurring only after decisions have largely been made and raised concerns about the use of the Business Impact Statement process. She urged the board to provide greater transparency, public participation, and justification for the proposed changes before moving forward. A copy of her comments is attached to these minutes.

Diane Henry, 7525 Coley Ave., questioned the proposed project to replace evaporative cooling systems at five Springs Preserve facilities. She requested information on the estimated water savings, and whether the savings justify the project's cost. Ms. Henry also raised concerns about the lack of publicly available details regarding the new systems, making it difficult for the public to evaluate the project's costs and benefits. Additionally, she criticized the limited transparency surrounding Springs Preserve board meetings, stating that agendas and minutes are not readily accessible. While acknowledging that the existing systems are reportedly at the end of their useful life and that new evaporative cooling systems are no longer permitted, Ms. Henry suggested that the broader policy requiring such conversions deserves scrutiny, particularly regarding its economic and energy impacts.

Stephanie Steffen, 2021 Grouse St., expressed concern about the loss of trees and green space throughout the Las Vegas Valley, which she attributes to turf removal and landscape conversions. Using photos from local parks and streetscapes, she argued that many trees struggle or die after grass is removed from surrounding areas. Ms. Steffen urged the board to reconsider policies affecting park landscapes, arguing that parks provide recreational and environmental benefits for residents. She questioned the process used to identify areas for turf removal and called for parks to be exempted from future landscape conversion efforts. Ms. Steffen referenced previous statements that parks would not be targeted and encouraged the board to make that commitment permanent.

Norm Schilling, owner of Schilling Horticulture Group and Mojave Bloom Nursery, expressed strong opposition to current water conservation and landscape conversion policies. He argued that these policies have contributed to significant tree loss throughout the valley and are worsening urban heat conditions. Mr. Schilling specifically criticized the widespread installation of artificial turf, claiming it poses potential health and environmental risks due to the presence of harmful substances. He contended that artificial turf contributes to heat retention, environmental contamination, and declining quality of life. Mr. Schilling urged the board to reevaluate the District’s policies, consider the long-term impacts of artificial turf and tree loss, and work with industry experts to address what he characterized as a public health issue.

Eric King, Las Vegas resident, emphasized the importance of trees as a practical solution to heat-related public health challenges in the valley. He recommended that the board consult with horticulture expert Norm Schilling regarding tree management. Mr. King focused on the need to provide shade at bus stops, stating that strategically planting trees near bus stops could offer a cost-effective way to reduce heat exposure and protect vulnerable populations. He concluded by encouraging collaboration on practical tree-planting initiatives that address extreme heat while supporting community well-being.

Adjournment

There being no further business to come before the board, the meeting adjourned at 9:30 a.m.

Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager’s office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada.

Water Fairness
COALITION

October 6, 2026

LVVWD Meeting Public Comment Agenda Item #4

Board of Directors,

Item 4 asks this Board to authorize up to **$7.45 million** to replace evaporative cooling systems at five Springs Preserve buildings with air-cooled and heat-pump systems.

This feels very familiar.

In December 2024, this Board approved more than **$2 million just for engineering and design** of an air-cooled central chiller plant at the Valley View campus.

The justification in that backup wasn't aging equipment. The District wanted to be a *leader in conservation*, to *showcase* water conservation in building cooling, and to *demonstrate* more water-conscious cooling methods.

At that meeting, I questioned why ratepayers should fund such an expensive demonstration without knowing the total project cost, the amount of water it would actually save, or seeing a cost-benefit analysis.

Then, during Board discussion, Director Gibson specifically asked staff to come back at a future meeting with more information for the public about that project.

I don't recall that ever happening, or the construction contract ever coming back to this Board. What is the status of that endeavor?

Now, almost two years later, here we are again.

The backup for today's $7.5 million request tells us that some of this equipment is reaching the end of its service life. Fair enough. But that doesn't answer the obvious question:

What would it cost to repair or replace the existing equipment versus completely changing the cooling technology?

2727 Ashby Ave Las Vegas, NV 89102 702-596-4748

How much water will this $7.5 million investment actually save, and what is the cost per acre-foot? What happens to electricity consumption and peak demand? **Where is the comparison of operating costs, lifecycle costs, equipment life and overall water impact — including the water associated with producing additional electricity?**

The District has itself previously referenced a **water-and-energy assessment** examining replacement of evaporative cooling with dry-cooled alternatives. Where is that analysis, and was it applied here?

Calling the new system "more efficient" doesn't answer any of those questions.

And the timing makes this particularly difficult to understand.

The District is simultaneously proposing Service Rule changes that would move **construction water from the third-tier rate to the highest-tier rate**, whatever that means, increasing the costs for businesses building homes, commercial projects and infrastructure. Ultimately, property owners inherit those costs.

Against that backdrop, asking those same ratepayers to approve nearly **$7.5 million** without providing a basic alternatives analysis feels remarkably financially insensitive.

Failing equipment should be maintained or replaced. The question is whether this $7.5 million solution is necessary, cost-effective and the best use of ratepayer money.

After the questions raised in December 2024 — including by a member of this Board — staff should have anticipated that this time those answers needed to be in the backup **before asking the Board to approve the expenditure.**

And if eliminating evaporative cooling is going to be presented as solving the data-center water problem, then Item 4 demonstrates why the evaporative-cooling analysis can't stop at the water meter. The broader water-and-energy impacts matter - and so do the billions of dollars in development reportedly sidelined by these policies.

WATER FAIRNESS COALITION, INC

Laura McSwain, President

2727 Ashby Ave Las Vegas, NV 89102 702-596-4748

Water Fairness
COALITION

October 6, 2026

LVVWD 2nd Public Comment – Rules Change

Board of Directors,

I discovered when addressing the proposed septic rule changes last year that at least some members of the health district board were unaware that they were even being developed.

At least a general summary of the "proposed" changes have been shared in the press.....**although largely as a foregone conclusion.**

That is a fundamental problem to be addressed in another setting.

Some clarification is required, sooner rather than later. Because a formal records request could take longer than the predetermined timeframe for moving this along will allow.

First, where is the actual proposed Service Rule language?

I have left two messages requesting the proposed language or a red line with no response. If it is publicly available, **where is it?**

Second, **what is the financial justification for the additional revenue these changes will generate?**

LVVWD presents itself as financially strong, with reserves above its policy target and an **AA+ bond rating.** It also identifies itself as a **"not-for-profit water utility."**

So how much additional revenue will these changes generate, and **what is that money needed for?**

Is there some anticipated expense, liability or change in LVVWD's financial condition that the public isn't being told about?

Especially when some of what has been shared represents **yet another cost being placed on construction and development.**

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And finally, **what is the process for residents?**

In 2016, LVVWD convened a Citizens Advisory Committee that met nine times over eight months considering rates and Service Rules. That committee actually recommended continuing to use **advisory committees and public processes** for future rate changes and funding strategies.

What happened to that process? Or was the use of the BIS when adopting the Excessive Use Charge penalty so successful that it has now become SOP?

At least during the **septic-rule fiasco**, there was a workshop. I don't see one on this schedule.

LVVWD calls its Service Rules a **"contract" with its customers**. A questionable characterization being the one-sided nature of the "negotiation."

Service Rules happen to govern an essential service backed by tremendous authority ....including the power to place liens **against property with potential foreclosure consequences.**

Those are extraordinary powers. The public process should reflect that. It is well past time for this Board to stop treating public involvement as something that occurs after the direction has already been decided.

But all of that assumes the BIS is even the appropriate process in the first place.

We all know businesses won't be directly impacted by many of these changes, because they will simply be passed along to the end user. But perhaps something had to be included that affects business in order to use the BIS process for other, far more consequential changes. Like maybe to address AB356?

That's a question that deserves an answer too.

WATER FAIRNESS COALITION, INC

Laura McSwain, President

2727 Ashby Ave Las Vegas, NV 89102 702-596-4748

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM

November 3, 2026

Subject:
Agreement

Petitioner:
Doa J. Ross, Deputy General Manager, Engineering and Operations

Recommendations:
That the Board of Directors approve and authorize the General Manager to sign an interlocal agreement, in substantially the same form as attached hereto, among Clark County; the cities of Las Vegas, Henderson, North Las Vegas, Boulder City and Mesquite; Southern Nevada Health District; Clark County Water Reclamation District; Clark County School District; Las Vegas Metropolitan Police Department; Clark County Regional Flood Control District; Clark County Department of Aviation; Regional Transportation Commission of Southern Nevada; Overton Power District No. 5; and the District for participation in a county-wide geographic information system project to provide data and aerial imagery for an annual funding fee not to exceed $49,946 per year through June 30, 2031, with an increase of up to 10 percent for each annual renewal period.

Fiscal Impact:
Funds requested for current year expenditures are available in the District's Operating Budget. Funds for future year expenditures will be budgeted accordingly.

Background:
On January 4, 2022, the Board of Directors approved an interlocal agreement (2022 Interlocal) for regional Geographic Information System (GIS) multi-agency data sharing to allow further development of its own GIS capabilities, while minimizing costs in areas of mutual interest, including aerial imagery acquisition. The 2022 Interlocal extended and consolidated services from two agreements: the GIS Multi-agency Data Sharing Agreement and the Clark County Aerial Imagery Project Agreement.

Continued coordination among all GIS Interlocal participating agencies is the key to the agencies' collective ability to deliver timely and efficient GIS services to the public. The attached Southern Nevada Geographic Information Interlocal Contract No. 014926.0 (2026 Interlocal) is intended to replace the 2022 Interlocal, which expires on June 30, 2027.

If approved, the 2026 Interlocal includes the terms and conditions to maintain the consolidation of GIS services into a single source with costs shared by the agencies. This 2026 Interlocal contains an option for annual renewals through June 30, 2031.

This agreement is being entered into pursuant to NRS 277.180 and Section 13 of the Las Vegas Valley Water District Act, Chapter 167, Statutes of Nevada 1947. The office of the General Counsel has reviewed and approved the agreement.

JJE:DJR:JLB:jlc
Attachment: Agreement

AGENDA ITEM # 2

SOUTHERN NEVADA

GEOGRAPHIC INFORMATION

INTERLOCAL CONTRACT

THIS INTERLOCAL CONTRACT ("Contract") is made and entered into this ____ day of _____, 2026, by and amongst the County of Clark, State of Nevada (hereinafter "County") the Cities of Las Vegas, Henderson, North Las Vegas, Boulder City, and Mesquite, Southern Nevada Health District, Clark County Water Reclamation District, Clark County School District, Las Vegas Metropolitan Police Department, Las Vegas Valley Water District, Clark County Regional Flood Control District, Overton Power District No. 5, Clark County Department of Aviation and Regional Transportation Commission of Southern Nevada (referred to herein individually as the "Participant," or "Party," or collectively as the "Participants," or "Parties"), all of which are public agencies of the State of Nevada.

WITNESSETH:

WHEREAS, Nevada Revised Statutes Chapter 277.180 provides that two or more public agencies may enter into an interlocal contract for the performance of any governmental service, activity or undertaking which any of said agencies is authorized by law to perform; and

WHEREAS, the Parties hereto maintain a Geographic Information System (hereinafter "GIS") capable of providing automated graphic display and analysis, and multiple data layers and information (e.g., land records, land use and facilities); and

WHEREAS, the Parties hereto, all of which have incurred considerable costs associated with the development and implementation of their respective GIS, desire to share access to their GIS resources and data sets more fully described below as part of a cooperative effort on the part of the Parties hereto to provide a more cost effective and efficient operation of their GIS for use by the public; and

WHEREAS, the County has incurred significant costs associated with the creation of products improving the geodetic control and positional accuracy of its GIS, which products can be used to facilitate data sharing and application integration, and such improvements can be utilized by each Participant hereto to develop and improve their respective GIS resources; and

WHEREAS, the County has incurred significant costs associated with the acquisition of aerial imagery of the Clark County region, which is used by numerous agencies to develop and improve their respective GIS resources; and

WHEREAS, the County provides on-line map services, as technically feasible, which allow interested agencies the ability to access imagery using software capable of such; and

WHEREAS, representatives of the Parties hereto, together with representatives of other political subdivisions in Clark County, all of whom share a common interest in the development and improvement of their respective GIS, have met periodically for the purpose of exploring potential markets and marketing techniques for the sharing and distribution of their respective GIS data, which may have the benefit of lowering the operational costs for each governmental entity that elects to participate with the Parties hereto in this Contract; and

WHEREAS, the Parties, or some of them, have previously entered into interlocal agreements dated May 1, 2018, June 19, 2019, and May 17, 2022 to share GIS imaging costs, and the Parties hereto desire to update and supersede those interlocal agreements with this Agreement to share the costs of acquiring aerial imagery of certain areas within the Clark County region (the “Aerial Imagery Data”) and secure access to GIS data through a GIS collaboration site (“GIS Collaboration Site”) while preserving each Participant’s control over its own data; and

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties hereto agree as follows:

1. ANNUAL FUNDING FEE.

a. Within thirty (30) calendar days after receipt of an invoice from the County ("Annual Funding Fee Invoice"), which will be given on or around July 15th of each year of the annual imagery cycle unless requested sooner, the Parties shall pay to the County their respective funding fee ("Imagery Project Fee" plus "Central Repository Fee") as provided in the Annual Funding Fee Invoice.

b. The Imagery Project Fee shall not exceed the amount listed for each Party below in Table A unless Party has requested additional services from NearMap. If the additional service is specific to the Party, then the Party will pay the associated fee in addition to the fees noted in the Imagery Project Fee Table. If the additional services benefit multiple Parties, then the additional fee will be distributed among those Parties to be paid in addition to the fee noted in the Imagery Project Fee Table.

TABLE A

IMAGERY PROJECT FEE TABLE

AGENCY	2026-2031
COUNTY	$ 330,804.30
CLARK COUNTY DEPARTMENT OF AVIATION	$ 45,945.04
LAS VEGAS VALLEY WATER DISTRICT and SOUTHERN NEVADA WATER AUTHORITY	$ 45,945.04
CITY OF LAS VEGAS	$ 45,945.04
CITY OF HENDERSON	$ 13,783.51
CLARK COUNTY REGIONAL FLOOD CONTROL	$ 13,783.51
LAS VEGAS METRO POLICE	$ 13,783.51
REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA	$ 13,783.51
CLARK COUNTY WATER RECLAMATION	$ 13,783.51
CLARK COUNTY SCHOOL DISTRICT	$ 13,783.51
CITY OF NORTH LAS VEGAS	$ 13,783.51
OVERTON POWER DISTRICT NO. 5	$ 1,914.38
CITY OF MESQUITE	$ 1,914.38
CITY OF BOULDER CITY	$ 2,297.25

ESTIMATED TOTAL IMAGERY PROJECT FEE	$571,250.00

c. In addition to the Imagery Project Fee, each Participant, except Clark County Department of Aviation, shall pay to the County the funding fee for maintaining the CORE GIS Data Set ("Central Repository Fee"), which initially shall be in the amount of $4,000.

d. The Central Repository Fee (initially in the amount of $4,000) may be increased, as set forth immediately below, by the County on July 1, 2026, and each succeeding July 1 thereafter. The new Annual Funding Fee shall be the lesser of the following: 1) The prior fiscal year fee plus five (5) percent of the prior fiscal year fee. OR 2) the product of the following - Step 1: Divide the most current April entry from the Bureau of Labor Statistics Consumer Price Index-All Urban Consumers, West Region All Items ("Index") by the Index entry for the previous April. Step 2: Multiply the quotient obtained in Step 1 by the prior fiscal year fee.

e. In the event a Participant is added to, or withdraws from, this Contract in the prior fiscal year, the total revenue collected from the Participants in the prior fiscal year shall be divided by the total number of Participants in the new fiscal year. The resulting quotient shall then be adjusted as set forth in paragraphs 1-b and 1-c to arrive at the new rate per Participant for the current fiscal year. If the remaining Participants cannot pay the increased rate in the current fiscal year, then the increased rate difference will be added to the subsequent fiscal year's rates for the Participants.

f. In the event any Participant hereto withdraws from this Contract, no fees shall be refunded to the withdrawing Party.

g. Subsequent to the execution of this Contract by the initial Parties hereto, any public agency desiring to become part of this Contract must receive approval from the majority of the current Participants, and such approval as a Participant to this Contract will be subject to the condition that the public agency pay the Annual Funding Fee assessed for the current fiscal year. The Imagery Funding Fee will not be prorated based on the date a new party is added to the Agreement.

h. Notification of the new fiscal year's rate will be sent to the Participants by June 1st of the current fiscal year.

2. SOUTHERN NEVADA GIS POLICY COMMITTEE.

This committee shall be composed of one voting staff member from each Participant familiar with GIS policy matters. This committee will meet as needed to discuss policy issues, and to review and recommend changes to this Contract. The withdrawal from this Contract by any Participant hereto voids that Participant's voting membership in the Southern Nevada GIS Policy Committee. The County will Chair the Southern Nevada GIS Policy Committee.

3. COUNTY SERVICES.

The County shall provide each Participant with the basic GIS services ("CORE GIS Services"), as available, described as follows:

a. Administering and maintaining the GIS Collaboration Site described in Section 5, through which Participants may securely access GIS data, imagery, and related map services in accordance with this Agreement;

b. Initial transfer to each Participant's GIS of all digital imagery acquired by the County and access to the updates thereof;

c. Initial transfer to the Participant's GIS of spatial and tabular data maintained by the County in the Southern Nevada GIS Central Repository and access to the updates thereof;

d. Network support services, if technically feasible, which facilitates the transfer and exchange of data to and from the Participants' GIS; and

e. Provide assistance in the design and implementation of the Participant's GIS resources, which is specifically suited to the Participant's application requirements, and provide informal training of the Participant's staff as a function of the design and implementation activities as the GIS Management Office resources permits.

4. CORE GIS DATA SET.

a. In addition to providing the CORE GIS Services set forth in Section 3 above, the County agrees to maintain within the Southern Nevada GIS Central Repository the CORE GIS DATA SET, which will include, but is not limited to, the data described below. The Southern Nevada GIS Central Repository is hosted on County servers and is separate from, and does not interact with, the GIS Collaboration Site described in Section 5:

i. Land use data sets as provided by the County and the Participants;

ii. Parcel data sets and respective derivatives as provided by the County; and

iii. Street Centerline data sets and respective derivatives as provided by the County.

b. The Parties hereto agree to the following as it pertains to the CORE GIS Data Set:

i. Each Participant shall provide to the County timely updates to authorized spatial and tabular data with metadata maintained by the Participant.

ii. Data updates will be made available via electronic transfers in formats compatible with two minor versions prior to current release by the manufacturer.

iii. Each Participant and County agree to notify the other Party within ninety (90) days of any proposed changes to the database design or data structure for data maintained in the Southern Nevada GIS Central Repository.

c. The Parties hereto agree to maintain the current or previous (up to one year prior) data format supported by Esri, Inc (“Esri”).

d. Software releases that resolve security vulnerabilities or address manufacturer supportability issues will be addressed with priority over other software releases to ensure the protection of the GIS Repository Participants and related data and, in addition, shall comply with NIST SP 80053 Rev. 5 control RA5(d), as implemented under the FedRAMP Moderate baseline.

5. SERVICES AND DATA SECURITY.

Each Party will be provided with the services, as available, described as follows:

a. The County will have responsibility of working directly with the vendor on the Imagery Contract. The County will ensure flight schedules meet contractual requirements. The County will have final approval on imagery delivery, acceptance, and ensuring it meets the County's quality standards.

b. The County will publish a map that shows the areas for which Imagery Data will be acquired for the annual Imagery Project cycle.

c. The Parties will work directly with vendor to get their credentials to acquire use of Imagery services.

d. The County shall administer and maintain the GIS Collaboration Site to permit Participants to access GIS data, imagery, and map services through a web-based platform or related hosted services. The GIS Collaboration Site is hosted by Esri on the Esri Cloud (ArcGIS Online). Esri is the host of the GIS Collaboration Site, and the County serves as its administrator. The GIS Collaboration Site is separate from, and does not interact with, the Southern Nevada GIS Central Repository described in Sections 3 and 4, which is hosted on County servers. Each Participant shall be responsible for connecting to the GIS Collaboration Site and configuring map services to share appropriate portions of its data with other Participants as described in this Section.

e. Each Participant shall maintain its own GIS data and shall be solely responsible for the accuracy, currency, and integrity of that data. Each Participant shall share its data with other Participants through the GIS Collaboration Site on a periodic basis as agreed by the Parties from time to time and store the data it makes available through the GIS Collaboration Site within its own area of the Esri Cloud. The County shall not store any Participant's data on County servers by virtue of this Section. For a Participant that is unable to maintain its own area of the Esri Cloud, the County may, at its discretion and upon the written request of the affected Participant, assist that Participant in making its data available through the GIS Collaboration Site, subject to available resources.

f. Each Participant shall provide descriptive metadata with each data set shared through the GIS Collaboration Site, including at a minimum: (i) the name and contact information of a designated data steward for that data set; (ii) the date the data was last updated or published; and (iii) a brief description of the data set and its intended uses.

g. Each Participant is solely responsible for ensuring that access to the GIS Collaboration Site, credentials, shared map services, downloadable data, and any data obtained through the GIS Collaboration Site is limited to: (i) its current employees with a legitimate governmental need to know; and (ii) independent contractors who have a legitimate need to know to perform contracted work for that Participant and who are bound by written confidentiality and security obligations at least as protective as this Contract. No Participant shall permit access by any former employee, former contractor, volunteer, guest user, or other person who is not an Authorized User. Each Participant shall maintain accurate internal records identifying its Authorized Users and shall review such access privileges on a periodic basis, but not less than quarterly.

h. Data shared through the GIS Collaboration Site shall be made available via map services hosted by Esri. By default, map services shall be configured to allow access to map view only, and not to permit the downloading or export of underlying data. This default restriction may be relaxed on a data-set-by-data-set basis for data that does not require download restrictions. Each Participant retains full authority to determine which of its data sets are made available for download and which are restricted to map-view access only.

i. Each Participant shall implement and maintain commercially reasonable identity and access controls for all Authorized Users of the GIS Collaboration Site and all systems used to access data under this Contract, including, without limitation: (i) unique user IDs for each Authorized User; (ii) Single-Sign On (SSO) that is integrated with and authenticated by the participant organization’s internal identity management and authentication mechanisms for all remote or interactive access to the GIS Collaboration Site, except to the extent the Parties specifically approves in writing a technically necessary alternative control that provides substantially equivalent protection; (iii) least-privilege, role-based access controls limiting each Authorized User to the minimum access necessary for the Authorized User's duties; and (iv) prompt disabling or revocation of access immediately upon any known or reasonably suspected credential compromise and, in all cases, not later than twenty-four (24) hours after an Authorized User separates from service, changes roles such that access is no longer required, or otherwise ceases to qualify as an Authorized User.

j. The County shall administer the GIS Collaboration Site using commercially reasonable administrative, technical, and physical safeguards designed to protect Participant data from unauthorized access,

acquisition, destruction, use, modification, disclosure, or exfiltration. Without limiting the foregoing, the County shall, to the extent available for the selected platform and reasonably practicable, require or enable: (i) encryption in transit; (ii) encryption at rest for hosted data; (iii) role-based access controls; (iv) logging and audit trails sufficient to record authentication events, administrative actions, and material data-access events; (v) session timeout or comparable controls; (vi) no anonymous or public access to nonpublic data; and (vii) security updates, vulnerability management, and backup/recovery processes appropriate to the environment. The County shall not intentionally configure the GIS Collaboration Site to allow public sharing, anonymous access, or unrestricted external download of nonpublic Participant data. Upon request, County shall provide Participants information reasonably sufficient to verify County's security controls, such as then-current security documentation, summary audit reports, certifications, or similar materials customarily made available to data sharing Participants.

k. No Participant shall make any other Participant's data available to any organization or third party that is not a Participant to the Agreement. Unless the Participant has first entered into a written agreement with that Provider requiring, at a minimum, that the Provider: (i) use the data solely to provide the contracted hosting, storage, security, support, and related services, and for no other purpose; (ii) not sell, monetize, mine, profile, train artificial intelligence systems on, or otherwise commercially exploit Participant data; (iii) restrict provider personnel access to those persons with a strict need to know and subject to written confidentiality obligations; (iv) impose the same obligations on any approved subcontractor; (v) implement and maintain reasonable security measures appropriate to the sensitivity of the data and the services provided; (vi) provide prompt written notice to the County of any actual or reasonably suspected security incident, unauthorized access, unauthorized disclosure, or other event affecting Participant data, and in no event later than twenty-four (24) hours after discovery; (vii) return or securely destroy Participant data at termination or upon request, subject only to legally required retention; and (viii) provide the County, upon request, information reasonably sufficient to verify the provider's security controls, such as then-current security documentation, summary audit reports, certifications, or similar materials customarily made available to customers. All Participants are responsible for compliance with this subsection even if the GIS Collaboration Site is operated through a third-party provider.

l. In the event of any actual or reasonably suspected unauthorized access to, acquisition of, disclosure of, alteration of, destruction of, or inability to access Participant data or the GIS Collaboration Site, the Party discovering the event shall promptly notify the County's GIS Management Office and each affected Participant. Nothing in this Contract is intended to alter or diminish any independent obligation of a Party under applicable breach-notification or cybersecurity laws. Each Party shall remain responsible for complying with laws directly applicable to that Party and the data in its custody or control.

m. A Participant may designate particular GIS layers, attributes, maps, imagery, metadata, or other information contributed under this Contract as security-sensitive or as relating to critical infrastructure ("Security-Sensitive GIS Data"). In addition, data that reasonably depicts, reveals, or could materially facilitate the disruption, misuse, or exploitation of water, wastewater, flood control, aviation, transportation, law enforcement, public health, school, or other essential governmental systems shall be treated as Security-Sensitive GIS Data whether or not specifically marked. Security-Sensitive GIS Data may be accessed and used only for internal governmental purposes of an Authorized User and only in accordance with this Contract and all applicable federal, state, and local laws, regulations, regulations, orders, policies, and incident-response requirements directly applicable to the accessing Party. No Party shall intentionally publish, post, or otherwise make Security-Sensitive GIS Data publicly available through the GIS Collaboration Site.

n. Nothing in this Contract shall be construed to require a Party to violate the Nevada Public Records Act or any other applicable law. If any Participant receives a request, subpoena, demand, or other compulsory process seeking another Party's data obtained through the GIS Collaboration Site ("Data Request"), the Participant in receipt of the Data Request shall, to the extent practicable and permitted by law, promptly notify the data source Participant before producing the data so that the source Participant may assess and assert any applicable confidentiality, security, privilege, or other protections. The Participant shall produce only what is required by law and shall, where lawful and practicable, seek appropriate protective treatment for Security-Sensitive GIS Data.

o. Each Participant retains all right, title, and interest in and to the data it contributes or makes accessible under this Contract. Except as expressly authorized by the source Participant in writing, no Party acquires any ownership or other proprietary right in another Participant's data by virtue of this Contract. Upon termination of a Participant's participation in this Contract or upon written request of the source Participant after access is no longer authorized, the receiving Party shall promptly cease access, revoke credentials as applicable, and, subject to any legally required retention, delete or destroy copies of another Participant's data obtained solely through the GIS Collaboration Site that are not otherwise independently owned by the receiving Party.

6. DISPUTES.

If a dispute arises between any Participant and the County concerning the terms of this Contract, the Parties will attempt to resolve the dispute through discussions and negotiations under the auspices of the County's GIS Management Office. In the event that an agreement cannot be reached, the dispute will be presented for resolution to the GIS Policy Committee. A majority of the quorum of current Participants may act to resolve the dispute. A quorum shall be no less than half plus one of the total number of current Participants. The decision of the GIS Policy Committee shall be final and binding on the Parties hereto. In the event that the decision is unfavorable or unacceptable to the Participant, nothing in this Section shall be construed to prohibit the Participant or the County from withdrawing from or terminating this Contract upon thirty (30) days' notice as provided in Section 9 below.

7. FUTURE DISSEMINATION OF GIS DATA AND INFORMATION.

In the event the County wishes to enter into a contract with an organization other than the Participants for the purpose of participating in geographic information database development or data dissemination, the County will present the proposed contract to the GIS Policy Committee for review. In determining whether to enter into an agreement with that organization, or whether to disseminate information other than as provided in Sections 16(c) and 16(g) below, the GIS Policy Committee shall consider and determine, as a minimum, the propriety and limits of such action under the standards and criteria set forth at NRS 719.350, and if such agreement or dissemination is appropriate, the additional fee to be required under NRS 239.054. Notwithstanding the foregoing, the County shall not disseminate any Security-Sensitive GIS Data to a non-Participant without the prior written approval of the source Participant unless disclosure is required by law.

8. TERM.

This Contract shall remain in force from July 1, 2026, or the date that it is ratified by appropriate official action of the governing body of each Party, whichever is later, through June 30, 2031, and each Participant shall have the option to renew this Contract on an annual basis thereafter. Such option to renew shall be exercised by the renewing Participant notifying, in writing, all of the other Parties hereto of its intent to continue its participation under this Contract. Such written notification shall be made thirty (30) days prior to June 30, 2031, and each anniversary date thereafter.

9. RIGHT OF TERMINATION.

Each Participant hereto may terminate their respective participation in this Contract, for any reason or no reason at all, with thirty (30) days prior written notice. Upon the effective date of any such termination, any and all rights and obligations of the terminating Participant shall be deemed at an end and canceled, except for such rights as may have previously accrued or vested and except for obligations that by their nature survive termination, including, without limitation, the confidentiality, security, deletion, and return obligations set forth in Section 5. Such termination only terminates the terminating Participant's membership in this Contract. This Contract shall continue to be binding and in effect for the remaining non-terminating Participants. Upon termination, the terminating Participant shall promptly revoke access to its Authorized Users, disconnect or disable any access path that is no longer authorized, and comply with Section 5(o) regarding return or deletion of another Participant's data.

10. ENTIRE AGREEMENT.

This Contract constitutes the entire agreement and understanding of the Parties hereto and supersedes all other oral and written negotiations, agreements, contracts and understandings of every kind, including the interlocal agreement dated May 17, 2022. The Parties understand, agree and declare that no promise, warranty, statement or representation of any kind whatsoever, which is not expressly stated in this Contract, has been made by any party hereto or its officers, employees, or other agents to induce execution of this Contract.

11. FORCE MAJEURE.

Neither County nor any Participant shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to pandemics, strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the Party asserting such an excuse, and the excused Party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

12. INDEPENDENT CONTRACTOR.

The Parties hereto are associated with each other only for the purposes and to the extent set forth in this Contract. In respect to performance of services pursuant to this Contract, each Party is and shall be a public agency separate and distinct from the other Party, excluding Clark County Department of Aviation, and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships for an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other Party.

13. ASSIGNMENT PROHIBITED.

No Party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of all of the other Parties.

14. THIRD PARTIES BENEFICIARIES EXCLUDED.

Notwithstanding any other provision of this Contract, this Contract is intended for the sole and exclusive benefit of the Parties hereto and is not intended to benefit any other third party.

15. INVOICES.

Invoices, payments, and notices shall be delivered to the Parties by personal service, hand delivery, electronically via email, or United States mail at the following addresses:

TO CLARK COUNTY DEPARTMENT OF AVIATION at accountspayable@lasairport.com

TO LAS VEGAS VALLEY WATER DISTRICT at invoices@lvvwd.coupahost.com

TO CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT at AccountsPayable@regionalflood.org

TO CITY OF HENDERSON at ITFinance@cityofhenderson.com

TO CITY OF MESQUITE at invoices@mesquitenv.gov

TO CITY OF BOULDER CITY at AccountsPayable@bcnv.org

TO SOUTHERN NEVADA HEALTH DISTRICT at AP@SNHD.ORG and Attn: Accounts Payable, P.O. Box 3902, Las Vegas, NV, 89127

TO REGIONAL TRANSPORTATION COMMISSION at Regional Transportation Commission, Attn: IT, 600 S Grand Central Pkwy Suite 350, Las Vegas NV 89106

TO THE LAS VEGAS METROPOLITAN POLICE DEPARTMENT at Accounting@lvmpd.com

TO CLARK COUNTY WATER RECLAMATION DISTRICT at accountspayable@cleanwaterteam.com

TO CLARK COUNTY SCHOOL DISTRICT at 0060-accounts-payable-inbox@nv.ccsd.net

TO CITY OF NORTH LAS VEGAS at City Surveyor, Frank Wittie, PLS, City of North Las Vegas, 2250 Las Vegas Blvd N, North Las Vegas, NV 89030, wittief@cityofnorthlasvegas.com

TO CITY OF LAS VEGAS at accountspayable@lasveganevada.gov, Department of Finance, ATTN: Accounts Payable, City of Las Vegas, 495 South Main Street, 4th Floor, Las Vegas, NV 89101-2986

TO OVERTON POWER DISTRICT NO. 5 at smarshall@opd5.com

Overton Power District # 5
Shawna Marshall (AP)
PO BOX 395
Overton, NV 89040

16. MISCELLANEOUS PROVISIONS.

a. The rights and benefits of this Contract include the right of the Parties hereto to utilize the aforementioned data as permitted by law.

b. It is not the intent of any of the Parties hereto to violate any laws of the State of Nevada or of the United States. The Parties hereto agree that in the event any provision of this Contract is held by a court of competent jurisdiction to be in contravention of any such laws, the Parties hereto will enter into immediate negotiations thereon to rectify the clause or clauses in contravention. The remainder of this Contract shall remain in full force and effect.

c. The Parties hereto may disseminate information to the public as prescribed by legislative acts and with the written approval of the source agency.

d. All costs and responsibility for hardware, software, computer communications equipment and supplies, data translation, and extraordinary support services not expressly identified herein are the responsibility of the respective Parties to this Contract.

e. No warranties or guarantees are expressed or implied as to the accuracy of the data provided by the departments or agencies of the Parties hereto.

f. Access to data is herein defined as the right to view data or obtain copies of data in a current or previous (up to one year) data format supported by Esri, Inc. and made available via the GIS Collaboration Site or electronic transfers at no cost to the Parties hereto, subject to the access, download, confidentiality, and security limitations set forth in this Contract.

g. Except as provided in Section 7 above, electronic data exchanged under the terms of this Contract cannot be sold or disseminated by any of the Parties hereto, except for that Party's contractors as expressly permitted by Section 5(f), in which case the data can only be used for the contracted work and remains subject to all confidentiality and security restrictions of this Contract. This provision does not apply to data owned solely by the Party hereto. The County's GIS Management Office will facilitate the dissemination of data to the Party's

contractor provided that Party forwards a letter approving such dissemination to the County's GIS Management Office.

h. It is understood by the Parties hereto that the County's GIS Management Office may enter into Data Subscriber Agreements with other governmental agencies or private companies to provide access to the Southern Nevada GIS Central Repository for a fee. The Data Subscriber Agreements will restrict use to only support internal activities for the respective organization. A list of Data Subscriber Agreements will be circulated at each GIS Policy Committee Meeting; provided, however, that no Security-Sensitive GIS Data shall be provided under a Data Subscriber Agreement without the source Participant's prior written approval unless disclosure is required by law.

i. This Contract may be executed in counterparts, and when each Participant has signed and delivered at least one such counterpart to the County, each counterpart shall be deemed an original and taken together shall constitute one and the same Contract, which shall be binding and effective as to all the parties hereto.

IN WITNESS WHEREOF, the Parties hereto have set their hands the day and year so written.

CLARK COUNTY

Board of County Commissioners

By: _____

Chair

ATTEST:

_____

County Clerk

Date of Official Action: _____

Approved as to Form:

_/s/ *Taylor Duffy*_____

Deputy District Attorney

LAS VEGAS VALLEY WATER DISTRICT, Participant

By: _____

General Manager

Approved as to form for the District:

By: Brent Gunson

Senior Attorney

CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT, Participant

By: _____

General Manager/Chief Engineer

Approved as to form for the District:

By: _____

RFCD Attorney

CITY OF HENDERSON, Participant

Date of City Council Approval: _____

By: _____

City Manager/CEO

ATTEST:

_____

City Clerk

APPROVED AS TO FUNDING:

_____

Chief Financial Officer

APPROVED TO CONTENT:

_____

Director of Information Technology

APPROVED AS TO FORM:

_____

City Attorney

CITY OF MESQUITE, Participant

By: _____

Mayor

Date: _____

ATTEST:

By: _____

City Clerk

Date: _____

APPROVED AS TO FORM:

By: _____

City Attorney

SOUTHERN NEVADA HEALTH DISTRICT, Participant

By: _____

District Health Officer

Date: _____

Approved as to Form:

By: _____

General Counsel

City of Boulder City, Participant

By: _____

City Manager

By: _____

City Attorney

By: _____

City Clerk

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA

By: _____

Chief Executive Officer

Date: _____

LAS VEGAS METROPOLITAN POLICE DEPARTMENT, Participant

By: _____

Authorized Signatory

APPROVED AS TO FORM:

By: _____

General Counsel

CLARK COUNTY WATER RECLAMATION DISTRICT

Board of Trustees

By: _____

Chairman

ATTEST:

_____

County Clerk

Date of Official Action: _____

Approved as to Form:

_____

General Counsel

CITY OF NORTH LAS VEGAS, Participant

Date of Commission Action: _____

By: _____
Mayor or Authorized Signatory

ATTEST:

_____
City Clerk

Approved as to Form:

_____
City Attorney

CLARK COUNTY SCHOOL DISTRICT

By: _____

President - Board of School Trustees

Date: _____

By: _____

Clerk - Board of School Trustees

Date: _____

By: _____

Superintendent of Schools

Date: _____

Approved As to Form:

_____

General Counsel

Date: _____

CITY OF LAS VEGAS

Date of City Council Approval: _____

By: _____

Mayor

ATTEST:

By: _____

City Clerk

Approved as to Form:

By: _____

Deputy City Attorney

OVERTON POWER District, Participant

By_____

MeLisa Garcia
General Manager

APPROVED AS TO FORM:

By_____

General Counsel

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM

November 3, 2026

Subject:
Change Order

Petitioner:
Doa J. Ross, Deputy General Manager, Engineering and Operations

Recommendations:
That the Board of Directors approve and authorize the General Manager to sign Change Order No. 4 to the existing contract with SHF International LLC to update a portion of the District's east administration building in the amount of $85,352 and increase the total contract time by 5 calendar days.

Fiscal Impact:
The requested $85,352 is available in the District's Capital Budget.

Background:
On November 4, 2025, the Board of Directors awarded Commitment No. 012989, Project 2258L (Project), in the amount of $3,258,790 to SHF International LLC (SHF). The Project is to update a portion of the east administration building, originally constructed in 1964, to include ductwork, electrical and data wiring that is at the end of its useful life. The Board further authorized a change order contingency amount of $320,000 to be used in accordance with the Amended Resolution Establishing a Policy for Providing for Changes in the Construction of Water District Owned or Administered Projects, signed by the Board on May 30, 2024 (2024 Resolution). The Project is located as generally shown on Attachment A.

To date, one change order has been voided and two change orders have been issued in accordance with the 2024 Resolution in the amount of $319,898 and a combined 80-day extension to the contract times. Change Order No. 4 increases the contract price for miscellaneous changes due to existing field conditions encountered during the course of construction and an additional 5-day extension of time.

If approved, Change Order No. 4 will increase the contract price by an additional $85,352, resulting in a total contract amount of $3,664,040 and total extension of the contract times by 85 calendar days. Change Order No. 4 requires Board approval as the increase to the contract price exceeds the authority of the General Manager granted under the provisions of Resolution No. 2006-02 and the 2024 Amended Resolution.

This change order is authorized pursuant to NRS 338.143 and Section 1(13) of the Las Vegas Valley Water District Act, Chapter 167, Statutes of Nevada 1947. The office of the General Counsel has reviewed and approved the change order.

JJE:DJR:PJJ:np
Attachments: Attachment A, Disclosure, Change Order

AGENDA ITEM # 3

LVVWD BOARD OF DIRECTORS
AGENDA ITEM

CONTRACT NO. 2258L_012989
EAST ADMIN HR RENOVATION



SHEET 1 OF 1 **ATTACHMENT A**

Las Vegas Valley Water District
Southern Nevada Water Authority
Springs Preserve™

LVVWD/SNWA/SSEA
DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Information

Business Entity Type:	Limited Liability Company
Business Designation Group:	
Number of Clark County Residents Employed:	14
Corporate/Business EntityName:	SHF International LLC
Doing Business As:	
Street Address:	6000 S Eastern Ave, Suite 14H
City, State, and Zip Code	Las Vegas, NV 89119
Website:	
Contact Name:	Sam Finkler
Contact Email:	sam@shfcontracting.com
Telephone No:	(702) 388-0961
Fax No:	

Nevada Local Business Information (if applicable)

Local Street Address:

Local Website:
Local Contact Name:
Local Contact Email:
Telephone No:
Fax No:

BUSINESS ENTITY OWNERSHIP LIST

All entities, with the exception of *publicly-traded corporations* and *non-profit organizations*, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board of Directors. (*If no parties own more than five percent (5%), then a statement relaying that information should be included in lieu of listing the parties).*

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Publicly-traded corporations and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest.

No Ownership More than Five Percent (5%) Statement (if applicable):

Listed Disclosures Below *(additional supplemental information may be attached, if necessary):*

Additional Supplemental Information to be Attached?
Number of Board members/Officers?
Number of Owners? **1**

Names, Titles and Percentage Owned:

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Jacquelyn Finkler	Member	100

DISCLOSURE OF RELATIONSHIPS

Disclosure of Relationship/Ownership

Business Owner/Principal relationships to any Employee and/or Official of LVVWD, SNWA or SSEA must be listed whether that relationship is by blood "Consanguinity" or by marriage "Affinity". "Degree of consanguinity", first or second, of *blood* relatives is as follows:

Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)

Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

A. Do any business/corporate entity members, partners, owners or principals have a spouse, registered domestic partner,child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a LVVWD, SNWA, or SSEA full-time employee(s) and/or appointed/elected official(s)? **No**

B. Are any LVVWD, SNWA, or SSEA employee(s) and/or appointed/elected official(s) an individual member, partner, owner or principal involved in the business entity? **No**

Disclosure of Employee Relationship/Ownership/Involvement: *(List any disclosures below)*

Category A/B	Business Owner/Principal Name	LVVWD/SNWA/SSEA Employee/Official and Job Title	Business Owner/Official Relationship to LVVWD/SNWA/SSEA Employee/Official	LVVWD/SNWA/SSEA Employee's/Official's Department

Business Entity Authorized Signature:

By providing an electronic signature in the indicated area below*, the signatory acknowledged and agreed to sign documents and contracts electronically and to receive by electronic delivery documents, contracts, notices, communications, and legally-required disclosures. Signatory also* certified, under penalty of perjury, that all of the information provided herein is current, complete, and accurate and that signatory is authorized to sign. Signatory also understands that the LVVWD/SNWA/SSEA Board of Directors will not take action on any item without the completed disclosure form.

Signer Name:	Sam Finkler
Signer Title:	Manager
Signer Email:	sam@shfcontracting.com
Signed Date:	08/13/2026
E-signed Acknowledgement:	Yes

LVVWD/SNWA/SSEA Review

This section to be completed and signed by the LVVWD/SNWA/SSEA Authorized ***Department*** Representative.

☐ ***No*** Disclosure or Relationship is noted above or the section is not applicable.

☐ Disclosure or Relationship ***IS*** noted above (complete the following):

☐ – Is the LVVWD/SNWA/SSEA representative listed above involved in the contracting/selection processfor this item?

☐ – Is the LVVWD/SNWA/SSEA representative listed above involved in any way with the business inperformance of the contract?

Additional Comments or Notes:

By signing below, I confirm that I have reviewed this disclosure form and that it is complete and correct to the best of my knowledge.

Worfolk, Edward	Worfolk, Edward	08/25/2026
Signature	Secretary Print Name/Title	Date

LAS VEGAS VALLEY WATER DISTRICT™

Commitment Number: 012989.0, 012989.0 - SHF International, LLC - Construction

Construction Project Commitment Change Order:#4

Contractor

Contractor: SHF International, LLC

Company Address: 6000 S. Eastern Ave Suite 14-H

Las Vegas, NV 89115

PCO Item Details

PCO No	Change Description	Change Amount
CPCO - 7	Furnish all labor, material, and equipment for additional miscellaneous changes due to existing field conditions and owner directives in the East Admin HR Building.	85352.00

Total Change Amount	$85,352.00
Total Contract Duration Change (Days)	5

All necessary adjustments to all other portions of the original Contract Documents, including but not limited to, all applicable specification and drawing notes and details, as required by these changes are hereby made.

This Change Order, executed by the Owner and the Contractor, shall constitute a full and final settlement of any and all claims by Contractor for time extensions and/or additional cost arising out of the performance of the Work related to this Change Order. This settlement constitutes an agreement not to use this Change Order in association with any other Claim. All other requirements of Contract No. 012989.0 remain unchanged.

ACCEPTANCE BY CONTRACTOR

By: **Date:** _____

_____

AUTHORIZED BY OWNER: **Date:** _____

Doa Ross, Deputy General Manager – Engineering

By:

_____

Attachments:

Prepared By: Lacuesta, Randy

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM

November 3, 2026

Subject:
Amendment

Petitioner:
Doa J. Ross, Deputy General Manager, Engineering and Operations

Recommendations:
That the Board of Directors approve and authorize the General Manager to sign an amendment to the existing agreement between Welles Pugsley Architects, LLP, dba Simpson Coulter Studio and the District to provide professional architectural services in support of the Valley View Campus Warehouse Project for an amount not to exceed $2,962,536.

Fiscal Impact:
Funds requested for current year expenditures are available in the District's Capital Budget. Funds for future year expenditures will be budgeted accordingly.

Background:
On February 14, 2024, a request for proposal (RFP) was initiated by the District soliciting analysis and space planning services for various organizational teams throughout the District. Based upon its responses to the RFP, an agreement was entered into with Welles Pugsley Architects, LLP, dba Simpson Coulter Studio (Simpson Coulter) dated September 10, 2024, to complete that work. After providing considerable knowledge and performance during the space planning analysis, the District entered into an Agreement to Provide Professional Services No. 014850.0, dated July 29, 2026 (Agreement), with Simpson Coulter for architectural planning and preliminary design services for Project 3484L Valley View Campus Warehouse (Project). Simpson Coulter continues to provide satisfactory progress on the preliminary design stage of the Project. The District now desires to amend the Agreement to include detailed Project design and construction phase services.

If approved, the attached Amendment No. 1 (Amendment) includes the terms and conditions for increasing the scope and fee to include detailed architectural design and construction phase services for the Project. Costs associated with the Amendment will result in a net increase of $2,166,810 for a total amount not to exceed $2,962,536, which includes a contingency for minor District-requested revisions.

This Amendment is being entered into pursuant to NRS 332.115 and Section 1(13) of the Las Vegas Valley Water District Act, Chapter 167, Statutes of Nevada 1947. The office of the General Counsel has reviewed and approved the Amendment.

JJE:DJR:PJJ:np
Attachments: Attachment A, Disclosure, Amendment, Agreement

AGENDA ITEM # 4



LAS VEGAS VALLEY WATER DISTRICT CONCEPTUAL DRAWING

NOT TO SCALE	DRAWN BY: MEN EDITED BY: MEN ENGINEER: NP	VALLEY VIEW CAMPUS WAREHOUSE ATTACHMENT A	PROJECT 3484L PAGE 1 OF 1

Las Vegas Valley Water District
Southern Nevada Water Authority
Springs Preserve™

LVVWD/SNWA/SSEA
DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Information

Business Entity Type:	Partnership
Business Designation Group:	
Number of Clark County Residents Employed:	25
Corporate/Business EntityName:	Welles Pugsley Architects LLP
Doing Business As:	dba Simpson Coulter Studio
Street Address:	151 E. Warm Springs Rd
City, State, and Zip Code	Las Vegas, NV 89119
Website:	simpsoncoulter.com
Contact Name:	Joy Rineer
Contact Email:	jrineer@simpsoncoulter.com
Telephone No:	(702) 435-1150
Fax No:	

BUSINESS ENTITY OWNERSHIP LIST

All entities, with the exception of *publicly-traded corporations* and *non-profit organizations*, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board of Directors. (*If no parties own more than five percent (5%), then a statement relaying that information should be included in lieu of listing the parties).*

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Publicly-traded corporations and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest.

No Ownership More than Five Percent (5%) Statement (if applicable):

Listed Disclosures Below *(additional supplemental information may be attached, if necessary):*

Additional Supplemental Information to be Attached?	**No**
Number of Board members/Officers?	
Number of Owners?	**3**

Names, Titles and Percentage Owned:

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Wade Simpson	Principal	41
Sean Coulter	Principal	41
Kathryn Joy Rineer	Principal	18

DISCLOSURE OF RELATIONSHIPS

Disclosure of Relationship/Ownership

Business Owner/Principal/Employee relationships to any Employee and/or Official of LVVWD, SNWA or SSEA must be listed whether that relationship is by blood "Consanguinity" or by marriage "Affinity". "Degree of consanguinity", first or second, of *blood* relatives is as follows:

Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)

Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

A. Do any business/corporate entity members, partners, owners, principals, or employees have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a LVVWD, SNWA, or SSEA full-time employee(s) and/or appointed/elected official(s)? **No**

B. Are any LVVWD, SNWA, or SSEA employee(s) and/or appointed/elected official(s) an individual member, partner, owner or principal involved in the business entity? **No**

Disclosure of Employee Relationship/Ownership/Involvement: *(List any disclosures below)*

Category A/B	Business Owner/Principal Name	LVVWD/SNWA/SSEA Employee/Official and Job Title	Business Owner/Official Relationship to LVVWD/SNWA/SSEA Employee/Official	LVVWD/SNWA/SSEA Employee's/Official's Department

Business Entity Authorized Signature:

By providing an electronic signature in the indicated area below*, the signatory acknowledged and agreed to sign documents and contracts electronically and to receive by electronic delivery documents, contracts, notices, communications, and legally-required disclosures. Signatory also* certified, under penalty of perjury, that all of the information provided herein is current, complete, and accurate and that signatory is authorized to sign. Signatory also understands that the LVVWD/SNWA/SSEA Board of Directors will not take action on any item without the completed disclosure form.

Signer Name:	Kathryn Joy Rineer
Signer Title:	Principal
Signer Email:	jrineer@simpsoncoulter.com
Signed Date:	10/12/2026
E-signed Acknowledgement:	Yes

LVVWD/SNWA/SSEA Review

This section to be completed and signed by the LVVWD/SNWA/SSEA Authorized ***Department*** Representative.

Y ***No*** Disclosure or Relationship is noted above or the section is not applicable.

_ Disclosure or Relationship ***IS*** noted above (complete the following):

_ – Is the LVVWD/SNWA/SSEA representative listed above involved in the contracting/selection processfor this item?

_ – Is the LVVWD/SNWA/SSEA representative listed above involved in any way with the business inperformance of the contract?

Additional Comments or Notes:

By signing below, I confirm that I have reviewed this disclosure form and that it is complete and correct to the best of my knowledge.

Pearson, Ryan	Pearson, Ryan Engineering Division Manager	10/12/2026
Signature	Print Name/Title	Date

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES
AMENDMENT NO. 1

This Amendment No. 1 (Amendment) to the Professional Services Agreement ("Agreement"), is made by and between Welles Pugsley Architects LLP dba Simpson Coulter Studio ("CONSULTANT") and the Las Vegas Valley Water District, a political subdivision of the State of Nevada ("DISTRICT"). DISTRICT and CONSULTANT are sometime hereinafter referred to individually as "Party" or collectively as "Parties." The "Effective Date" is the date of last signature on this Amendment.

WITNESSETH:

WHEREAS, the Parties entered into the original Agreement with an Effective Date of July 29, 2026, through which CONSULTANT would provide the DISTRICT with professional services for space planning, reporting and assessment and preliminary design of a new warehouse associated with Project No. 3484L Valley View Campus Warehouse, and

WHEREAS, the Parties desire to amend the Agreement to obtain professional services to advance the preliminary design and provide construction documents and provide professional services during the bidding and construction phases for Project 3484L, Valley View Campus Warehouse.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, the Parties hereto agree to this Amendment to the Agreement as follows:

1) REPLACE paragraph 4 in its entirety and replace with the following:

   4) LIMITATION ON COSTS:

      The total cost of the Work provided under this Agreement shall not exceed $2,962,536.

2) ADD Exhibit A-1 of this Amendment No. 1 directly following Exhibit A of the Agreement. Exhibit A-1 is attached to this Amendment No. 1.

3) REPLACE the Rates and Fees included in Attachment B of Exhibit A of the Agreement with the Rates and Fees included in Exhibit A-1.

4) DISCLOSURE OF NO EMPLOYEE/OFFICIAL RELATIONSHIP AND NO EMPLOYEE/OFFICIAL OWNERSHIP/INVOLVEMENT:

   CONSULTANT affirms that:

   a) No individuals holding more than five percent ownership or financial interest in the CONSULTANT, none of the CONSULTANT's principals, and none of the CONSULTANT's employees have a relationship with any employee or official of the DISTRICT by first or second blood relatives or by marriage. First or second blood relative or marriage relationships include spouse, registered domestic partners, children, parents, in-laws (first degree), brothers/sisters, half-brothers/half-sisters, grandchildren, and grandparents (second degree).

   b) No employee or official of the DISTRICT has any ownership or financial interest in the CONSULTANT exceeding five percent.

   c) No employee or official of the DISTRICT has any involvement with the negotiation of this Agreement on behalf of the CONSULTANT or involvement in the day-to-day activities of the CONSULTANT.

All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year last entered below.

Welles Pugsley Architects LLP dba Simpson Coulter Studio	**Las Vegas Valley Water District**
Signature	Signature
Print Name	Print Name
Title	Title
Date	Date

EXHIBIT A-1

Scope of Services

1. 60% - Design Development Phase
   a. Drawing Sheet Set-up
      All disciplines will prepare the CAD or Revit drawing files with sheet numbering, template elements, scale, and view to be used as the foundation of the drawing set.
   b. Incorporate Owner's Schematic Design Review Comments
      All disciplines will, as appropriate to the phase of development, incorporate changes or considerations provided by the LVVWD from the Schematic Design phase into the Design Development drawing set.
   c. Drawing Development
      Schematic level drawings and concepts will be refined and transitioned to a technical drawing set. The drawings will be developed as follows:
      - Site Development – Hardscape: Refinement and development of on-site and off-site grading and paving plans. Development of perimeter fence security and screening options along both Valley View and Alta. [Civil, Landscape, Architectural]
      - Site Development – Landscape: Refinement of preliminary planting plans including code required ground cover, and tree plantings. Preparation of preliminary irrigation plans. [Landscape]
      - Site Development – Utilities & Services: Preparation of preliminary electrical load calculations to determine electrical service requirements. Coordination with NV Energy to determine power availability and electrical service point location options. Preparation of preliminary on-site and off-site wet and dry utility routing options, sizing calculations, and points of connection, site lighting and cable distribution. [Civil, Architecture, Plumbing, Electrical, Technology]
      - Building Development – Structure: Refinement of foundation and framing plans including sizing of footing, slabs, columns, beams, joists and decking, and bearing walls and shear wall designations. [Structural]
      - Building Development – Envelope: Refinement of exterior elevations and roof plans including window and door types and sizes, exterior wall and roof cladding systems, development of building sections and typical wall sections, and integration of typical details. [Architecture]
      - Building Development – Interiors: Refinement of preliminary interior finish materials selections including paint, flooring, ceiling, casework and countertop materials, preparation of major interior elevations, refinement of floor finish plans, preparation of an interior finish and material board. [Interior Design]
      - Building Development – Building Services: Preparation preliminary waste and vent plans, water and gas distribution plans, single line plumbing diagrams, plumbing equipment schedules. Preparation of HVAC plans with equipment, major duct distribution and piping layouts, mechanical equipment and ventilation schedules, and typical HVAC details. Preparation of preliminary electrical power and lighting plans, single line diagrams, lighting schedule, and typical electrical details, preliminary low voltage data, communications, surveillance and access control plans with device types and locations, Main Distribution Frame (MDF) /Intermediate Distribution Frame (IDF) room layouts and typical technology details. Preparation of a water pressure analysis for fire sprinkler booster pump determination, preliminary fire sprinkler booster pump selection and room layout,

preliminary fire sprinkler plans with riser room sizing, layout and mainline diagram. [Plumbing, Mechanical, Electrical, Technology, Fire Protection]
    - Surveillance and access control scope includes locating devices and providing boxes and pathways to the MDF. Locations will be coordinated with the Owner and the Owner's security and access control vendor. Exploration and recommendation of multiple surveillance and access control systems is not a part of the scope of work.
- Building Equipment Coordination: Research, data gathering and infrastructure requirement identification for major non-building equipment such as cranes, Computer Numerical Control (CNC) machines, warehouse automation, etc.

d. Drawing Set Coordination

A preliminary set of DD drawings will be compiled and distributed to the design team to begin internal and cross-disciplinary coordination efforts.

- Interdisciplinary Coordination Review: A review of the preliminary set will be subjected to an internal coordination review. A Bluebeam session will be launched to distribute mark-ups, communicate and track coordination items across the design team. [Architecture]
- Design Team Coordination Meetings: Design Team members will be expected to meet weekly to provide updates and identify other information required to complete work. [Civil, Landscape, Architecture, Structural, Plumbing, Mechanical, Electrical, Technology, Fire Protection]
- Owner Meetings:
    - Attendance at monthly Owner design progress meetings. [Architecture]
    - Discipline specific meetings will be scheduled with the LVVWD to review and solicit feedback on systems operations and standards for incorporation into the drawings and specifications. At a minimum, we would anticipate including Access Control and Security systems; Lighting and Building Controls; Audio/Video and Data systems; Exterior/Interior Materials & Finishes. [Architecture, Interiors, Mechanical, Electrical, Technology]
    - Attendance at a Design Development milestone presentation meeting. [All disciplines]
    - Attendance at a Design Development milestone review meeting to review Owner comments. [All disciplines]
- Site Coordination: Incorporation of interdisciplinary review comments, further development of site related plans. [Civil, Landscape, Architecture, Plumbing, Electrical, Technology]
- Building Coordination: Incorporation of interdisciplinary review comments, further development of building related plans. [Architecture, Interiors, Structural]
- Systems Coordination: Incorporation of interdisciplinary review comments, further development of building systems related plans. [Plumbing, Mechanical, Electrical, Technology, Fire Protection]
- Code & Life Safety Coordination: Refinement of preliminary Code Analysis and high piled storage requirements, refinement of Egress Plans, and selection of penetration and firestopping systems. [Architecture, Fire/Life Safety]
- Prepare 60% DD Specifications for Divisions 02 – 33, Bid Form, Project Description and Applications for Payment sections of Division 00 and 01: All disciplines
- Utility Services Coordination: Submit preliminary load calculations to NVE and begin the utility design process. Determine submittal requirements for NV Energy, Southwest Gas, Cox and Lumen. [Architecture]

e. 60% DD Quality Control (QC) Check
Includes each discipline's internal Quality Control review and a cross-disciplinary QC Review. Review comments will be incorporated into the drawing, and specification sets prior to the 60% Design Development submission to the LVVWD. [All disciplines]

f. 60% DD Cost Estimate
Development of an Opinion of Probable cost based on the 60% Design Development drawings and specifications. [Cost Estimator]

g. Prepare 60% DD Renderings
Preparation of 2 eye-level and 2 interior renderings to include selected exterior and interior materials and finishes. [Architecture, Interiors]

h. Compile 60% DD Deliverable
Drawings, specifications, cutsheets and collateral materials will be collected from the disciplines, compiled, and bookmarked in preparation for distribution. [Architecture]

2. Site Development Review (SDR)

a. Prep Site Development Review Docs & Application
Based on approved Schematic Design drawings and concepts, presentation level site plans, planting plans, building elevations and calculations supporting the project, and required legal documents (deeds, legal descriptions, applications, etc.) will be prepared and gathered for submission to the City of Las Vegas Planning Department. [Landscape, Architecture]

b. Pre-Submittal Review
SCS will coordinate the upload of preliminary SD documents to the CLV portal with LVVWD staff, schedule and meet with the City of Las Vegas Planning and LVVWD staff for the pre-submittal review and note any additional documentation required for submission. [Architecture]

c. SDR Document Submittal and Tracking
Final corrected and compiled SDR documents will be uploaded to the CLV portal, comments will be collected and communicated with LLVWD staff for concurrence. [Architecture]

d. SDR Public Meetings – attendance at Planning Commission and City Council meetings in support of LVVWD staff if necessary.

3. 100% - Construction Documents Phase

a. Incorporate Owner's Design Development Review Comments
All disciplines will incorporate changes or considerations provided by the LVVWD from the Design Development phase into the Construction Documents drawing set.

b. Drawing Development
Design Development level drawings will be refined by adding additional detail to the drawing and schedules. The Level of Development for the building Revit model will be LOD 300. The drawings will be completed as follows:

- Site Development – Hardscape: Completion of on-site and off-site grading and paving plans, traffic control plans, site hardscape plans, site amenity plans and details. [Civil, Landscape, Architectural]
- Site Development – Landscape: Completion of planting plans, schedules and details. Completion of irrigation plans. [Landscape]
- Site Development – Utilities & Services: Completion of on-site and off-site wet and dry utility plans, site electrical, plumbing and technology plans and details. [Civil, Plumbing, Electrical, Technology]
- Building Development – Structure: Completion of foundation and framing plans, details and calculations. [Structural]

- Building Development – Envelope: Completion of exterior elevations, roof plans, building sections, wall sections and details. [Architecture]
- Building Development – Interiors: Completion of materials schedules, interior elevations, floor finish plans, signage plans and details. [Architecture, Interior Design]
- Building Development – Building Services: Completion of waste and vent plans, water and gas distribution plans, single line plumbing diagrams, plumbing equipment schedules and details, HVAC plans, mechanical equipment and ventilation schedules, and details, IECC compliance forms, electrical power and lighting plans, single line diagrams, lighting schedule and lighting controls diagrams, and details, low voltage data, communications, and access control plans, MDF/IDF room plans and details, fire sprinkler plans with riser room layout and main and branch line distribution. [Plumbing, Mechanical, Electrical, Technology, Fire Protection]
- Building Equipment Coordination: Incorporate infrastructure requirements for major non-building equipment such as cranes, CNC machines, warehouse automation, etc. into the drawing set.

c. Drawing Set Coordination

A preliminary set of the CD drawings will be compiled and distributed to the design team to continue internal and cross-disciplinary coordination efforts.

- Interdisciplinary Coordination Review: A review of the preliminary set will be subjected to an internal coordination review. A Bluebeam session will be launched to distribute mark-ups, communicate and track coordination items across the design team. [Architecture]
- Design Team Coordination Meetings: Design Team members will be expected to meet weekly to provide updates and identify other information required to complete work. [Civil, Landscape, Architecture, Structural, Plumbing, Mechanical, Electrical, Technology, Fire Protection]
- Owner Meetings:
  - Attendance at monthly Owner design progress meetings. [Architecture]
  - Discipline specific meetings will be scheduled with the LVVWD to review and solicit feedback on systems operations and standards for incorporation into the drawings and specifications. At a minimum, we would anticipate including Access Control and Security systems; Lighting and Building Controls; Audio/Video and Data systems; Exterior/Interior Materials & Finishes. [Architecture, Interiors, Mechanical, Electrical, Technology]
  - Attendance at a Construction Documents milestone presentation meeting. [All disciplines]
  - Attendance at a Construction Documents milestone review meeting to review Owner comments. [All disciplines]
- Site Coordination: Incorporation of interdisciplinary review comments, finalization of site related plans. [Civil, Landscape, Architecture, Plumbing, Electrical, Technology]
- Building Coordination: Incorporation of interdisciplinary review comments, finalization of building related plans. [Architecture, Interiors, Structural]
- Systems Coordination: Incorporation of interdisciplinary review comments, finalization of building systems related plans. [Plumbing, Mechanical, Electrical, Technology, Fire Protection]

- Code & Life Safety Coordination: Code Analysis, Egress Plans finalization and incorporation of penetration and firestopping systems. [Architecture, Fire/Life Safety]
- Prepare 100% CD Specifications: All disciplines
- Utility Services Coordination: Submit plans, cad files and data required for NV Energy, Southwest Gas, Cox and Lumen designs. Review utility designs for conformance to building service requirements. Coordinate utility designs with on-site and off-site improvement plans. [Architecture]

d. 100% CD QC Check
Includes each discipline's internal Quality Control review and a cross-disciplinary QC Review. Review comments will be incorporated into the drawing, and specification sets prior to the 100% Construction Documents submission to the LVVWD. [All disciplines]

e. 100% CD Cost Estimate
Development of an Opinion of Probable cost based on the 100% Construction Documents drawings and specifications. [Cost Estimator]

f. Prepare 100% CD Renderings
Updates to 2 eye-level and 2 interior renderings to include selected exterior and interior materials and finishes. [Architecture, Interiors]

g. Compile 100% CD Deliverable
Drawings, specifications, calculations and reports will be collected from the disciplines, compiled, and bookmarked in preparation for distribution. [Architecture]

4. Permitting & Approvals

a. Technical Drainage Study
A Technical Drainage Study will be prepared for the proposed building and outdoor spaces at the location determined during the Feasibility Study. A normal depth hydraulic analysis will be performed to verify the proposed building is flood protected. The report will be submitted to the City of Las Vegas and Clark County Regional Flood Control District. [Civil]

b. LVVWD Approvals
A site-specific Water Network Analysis will be prepared for a portion of the existing Valley View Campus. The analysis process includes meetings with the Las Vegas Valley Water District, estimation of water demands, application of water design guidelines, preparation of a hydraulic water model, and preparation of a final report. [Civil, Architectural]

c. Building Department Submission, Revisions and Tracking
Compiled 100% CD drawings, specifications and calculations will be uploaded to the City of Las Vegas Building Department portal along with appropriate applications including Building, Fencing, Accessory Structure, and Wall permit applications as appropriate to the project scope. Plan review comments will be tracked and distributed to the design team for revision; corrections will be compiled and resubmitted until the permit process is completed. A geotechnical department update letter will be obtained to include in the submission. [All disciplines]

d. Public Works Civil Improvement Plan Submission, Revisions and Tracking
Completed Civil Improvement Plans, applications and supporting documents will be prepared, submitted and monitored through the City of Las Vegas Public Works review process. Plan review comments will be responded to and resubmitted as appropriate. [Civil]

5. Final Bid Package

a. Prepare Bid Set Documents
Once the Building and Public Works permits are obtained, all disciplines will prepare a clean set of drawings and specifications (no clouds or revision marks) with all permit

revisions incorporated. Drawings and specifications will be compiled and issued to the Owner for bidding purposes. [All disciplines]

6. Bid Support (T&M)
   a. Attend Pre-Bid Meeting [Architecture]
   b. Prepare Addendum Documents
      During the Bid phase, the design team will review and respond to RFI's that the Owner deems appropriate, create and compile drawing and specification addendums, and generate a narrative with Bid Question responses and a narrative explaining the drawing and specification changes. Narratives and revisions will be compiled into Addendum format for the Owner to issue to bidders prior to the bid opening. [All disciplines]

7. Procurement & Construction (T&M)
   a. Prepare & Issue Issued for Construction (IFC) Documents
      Once the Bid process has been completed, all disciplines will prepare a clean set of drawings and specifications (no clouds or revision marks) with all Bid RFI and clarification revisions incorporated. Drawings and specifications will be compiled and issued to the General Contractor and Owner for record and use during construction. IFC drawings will be issued in PDF, CAD and specifications will be issued in PDF and Word formats.
   b. Construction Administration – Substantial Completion
      Once the project is awarded for construction, the design team will support the construction process on a time and material basis. Activities anticipated for the construction administration effort from Notice to Proceed through Substantial Completion include:
      - Attending the Pre-Construction Conference [Architecture]
      - Attending and conducting weekly OAC Meetings. [Architecture, other disciplines as needed]
      - Conducting Site Observation Visits when requested by the Owner. [Architecture, other disciplines as needed]
      - Provide Structural Observations and reports as required by code. [Structural]
      - RFI review and response. Fees cover up to 400 RFI's total. [All disciplines]
      - Submittal review and response. Fees cover up to 1,300 initial Submittals and 700 2nd reviews. [All disciplines]
      - Producing drawing revisions for RFI responses and Owner requested changes. [All disciplines]
      - Attending (1) punch walk to review and append items to the contractor's deficiency list. [All disciplines]
   c. Construction Administration - Final Completion (T&M)
      During final completion, the contractor will be required to complete items on the deficiency list. The design team will:
      - Attend a deficiency list back walk to review status of the corrections/repairs. [All disciplines]
      - Attend and conduct weekly OAC Meetings [Architecture, other disciplines as needed]
   d. Close-out / Record Documents (T&M)
      Contractor provided as-built redlines will be distributed to the design team to incorporate into a set of record documents. A final PDF Record Set of drawings and specifications will be compiled and issued to the Owner for record. CAD files of the drawing set will also be prepared and provided to the Owner for record. Specifications will be provided in Word format. [All disciplines]

The following disciplines are included in the Scope of Work: Geotechnical Evaluation, Civil Engineering, Landscape Architecture, Architecture, Interior Design, Structural Engineering, Plumbing, Mechanical and Electrical Engineering, Technology Design, Fire/Life Safety Consulting, Fire Sprinkler Design, Fire Alarm Design, and Cost Estimating.

Deliverables

1. 60% Design Development
   a. 60% Design Development Drawings (stamped)
   b. Preliminary Specifications (stamped)
   c. Equipment Cut Sheets
   d. Preliminary Renderings: (2) eye-level exterior, (2) eye-level interior and (1) aerial
   e. Opinion of Probable Cost
2. Site Development Review
   a. Rendered site plan with zoning analysis, planting plan, colored exterior elevations
   b. SDR application and exhibits
3. 100% Construction Documents
   a. 100% Construction Document Drawings (stamped)
   b. Specifications (stamped)
   c. Rendering updates: (2) eye-level exterior, (2) eye-level interior and (1) aerial
   d. Opinion of Probable Cost
4. Permitting
   a. Stamped and sealed drawings, specifications and calculations to support permit applications
5. Bidding
   a. Bid documents including drawings, specifications and reports
   b. Addendum documents as required
6. Construction Administration
   a. Issued for Construction (IFC) documents including drawings, specifications and reports
   b. Structural Observation Reports
   c. ASI's, NOC's as required
7. Record Documents
   a. Compiled PDF drawings and specifications
   b. CAD files

Per NRS, all formal submittals to the agency are required to be stamped.

Rate Schedule for Time and Materials Tasks

Position	**Rate/Hour**
Principal	$320
Sr. Project Manager	$245
Sr. Architect	$215
Project Manager	$200
Sr. Interior Designer	$195
Sr. Architectural Staff	$190
Project Architect	$185
Interior Designer	$170
Architectural Staff	$160
Design Technology Specialist	$140
Administrative	$105

RATES AND FEES

FEASIBILITY STUDY	$734,969
DESIGN SERVICES	$1,293,667
BID & CONSTRUCTION SERVICES (T&M)	$547,482
SUB-TOTAL	$2,576,118
CONTINGENCY	$386,418
TOTAL	$2,962,536

AGREEMENT

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES

This Agreement is made and entered into by and between Welles Pugsley Architects LLP dba Simpson Coulter Studio, hereinafter called "CONSULTANT," and the Las Vegas Valley Water District, a political subdivision of the State of Nevada, hereinafter called the "DISTRICT." The CONSULTANT and the DISTRICT are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties." The term "DISTRICT" also refers to staff of the DISTRICT acting within their designated authority and duties. The "Effective Date" is the date of last signature on this Agreement.

WITNESSETH:

WHEREAS, the DISTRICT desires to obtain professional services for space planning reporting and assessment and preliminary design of a new Warehouse located at the Valley View Campus, and

WHEREAS, the CONSULTANT is properly qualified and desires to provide the professional services required by the DISTRICT, and

WHEREAS, the DISTRICT, in reliance on the CONSULTANT's representations and proposals, agrees to retain the CONSULTANT, and the CONSULTANT agrees to furnish professional services to the DISTRICT, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the Parties hereto agree as follows:

1) SCOPE OF WORK:

   a) The CONSULTANT shall provide any requested services, hereinafter referred to as "Work," as described and within the time indicated in Exhibit A, which is attached herewith and made a part of this Agreement. Except as otherwise provided in this Agreement, if any provision contained in this Agreement conflicts with any provision in any of the attached Exhibits, the provision contained in this Agreement shall govern and control.

   b) All Work performed shall be subject to the cost ceiling contained in "Limitation on Costs" hereof and subject to the DISTRICT's directions respecting priorities. The CONSULTANT will furnish all professional services in the amount necessary to complete, promptly and effectively, the Work assigned under this Agreement.

   c) All of the Work shall be performed by the CONSULTANT or a subcontractor, subconsultant, or supplier ("Subcontractor") approved by the DISTRICT. The CONSULTANT shall submit to the DISTRICT all information necessary for the DISTRICT to review and approve the Subcontractor. The DISTRICT reserves the right to reject any proposed Subcontractor at its sole discretion.

   d) During performance of the Work under this Agreement, the CONSULTANT shall notify the DISTRICT of any Work deemed to be outside of the Scope of Work within seven (7) calendar days. The CONSULTANT shall not perform any Work outside of the Scope of Work without:

      i) For single project-based Scope of Work, an executed written amendment to this Agreement; and

      ii) For a task order-based Scope of Work, an executed written amendment to the task order at issue.

      Should the CONSULTANT proceed with any Work outside the Scope of Work without an executed written amendment, the CONSULTANT shall not be entitled to any additional payment for such Work.

   e) In performing the Work under this Agreement, the CONSULTANT shall observe and abide by the terms and conditions of all applicable laws, regulations, ordinances, or rules of the United States, of the State of Nevada, of any political subdivision thereof, and of any other duly constituted public

authority or agency. The CONSULTANT shall be responsible for obtaining any license, permit or other approval as required by law or otherwise, arising out of the Work to be performed hereunder.

f) The CONSULTANT has, or will secure at its own expense, the qualified personnel required to perform the Work assigned under this Agreement. Such personnel shall not be employed by the United States; the State of Nevada; Clark County, Nevada; Las Vegas Valley Water District, Southern Nevada Water Authority, or any other political subdivision of the State of Nevada.

2) PERIOD OF PERFORMANCE:

a) This Agreement shall become effective as of the Effective Date and shall remain in effect until all Work authorized by the DISTRICT to be performed is completed by the CONSULTANT, unless terminated in accordance with the terms of this Agreement. During this period, the CONSULTANT agrees to provide the Work as required by the DISTRICT within the scope of this Agreement.

3) COMPENSATION:

a) In consideration for completion of all duties and responsibilities under this Agreement, the DISTRICT agrees to pay the CONSULTANT, in accordance with Exhibit A, for Work completed to the DISTRICT's satisfaction.

b) The CONSULTANT shall provide itemized monthly invoices for Work performed during the previous month. Invoices are to be submitted to the DISTRICT in accordance with the Notice provisions of this Agreement and must reference the name and Effective Date of the Agreement. A copy of any invoice received from subcontractors used by the CONSULTANT shall be included.

c) The DISTRICT shall pay invoiced amounts from the CONSULTANT based on tasks completed as set forth in Exhibit A within thirty (30) calendar days after the date the invoice is received and approved by the DISTRICT.

d) The DISTRICT may dispute a payment or portion thereof that is due before or after the DISTRICT pays the invoice.

e) The DISTRICT shall have the right , in its sole discretion, to amend Exhibit A to move funds from one line item to another. The amendment to Exhibit A shall be documented in writing, and the DISTRICT shall provide a copy of the amended Exhibit to the CONSULTANT.

4) LIMITATION ON COSTS:

The total cost of Work provided under this Agreement shall not exceed $795,726 .

5) RESPONSIBILITIES OF CONSULTANT:

a) The CONSULTANT shall appoint a Manager who will manage the performance of the Work. All of the Work specified by this Agreement shall be performed by the Manager, or by the CONSULTANT's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of the CONSULTANT be unable to complete his or her responsibility for any reason, the CONSULTANT must obtain written approval by the DISTRICT prior to replacing him or her with another equally qualified person. If the CONSULTANT fails to make a required replacement within thirty (30) calendar days, the DISTRICT may terminate this Agreement.

b) The CONSULTANT agrees that its officers and employees will cooperate with the DISTRICT in the performance of Work under this Agreement and will be available for consultation with the DISTRICT at such reasonable times with advance notice as to not conflict with their other responsibilities.

c) The CONSULTANT shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all Work furnished by the CONSULTANT, its subcontractors and their principals, officers, employees and agents under this Agreement. In performing the Work, the

CONSULTANT shall follow practices consistent with generally accepted professional and technical standards.

d) It shall be the duty of the CONSULTANT to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. The CONSULTANT will not produce a work product which violates or infringes on any copyright or patent rights. The CONSULTANT shall, without additional compensation, correct or revise any errors or omissions in its work products.

   i) Permitted or required approval by the DISTRICT of any products or Work furnished by the CONSULTANT shall not in any way relieve the CONSULTANT of responsibility for the professional and technical accuracy and adequacy of its work.

   ii) The DISTRICT's review, approval, acceptance, or payment for any of the CONSULTANT's Work herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the CONSULTANT shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the DISTRICT caused by the CONSULTANT's performance or failures to perform under this Agreement.

e) All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by the CONSULTANT for the DISTRICT relating to the Work and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by the CONSULTANT to parties other than the DISTRICT shall become the property of the DISTRICT and shall be delivered to the DISTRICT's representative upon completion or termination of this Agreement, whichever comes first. The CONSULTANT shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by the DISTRICT. The DISTRICT shall have the right to reproduce all documentation supplied pursuant to this Agreement.

f) The rights and remedies of the DISTRICT provided for under this paragraph are in addition to any other rights and remedies provided by law or under other paragraphs of this Agreement.

6) RESPONSIBILITIES OF DISTRICT:

a) The DISTRICT agrees that its officers and employees will cooperate with the CONSULTANT in the performance of the Work and will be available for consultation with the CONSULTANT at such reasonable times with advance notice as to not conflict with other responsibilities.

b) The Work performed by the CONSULTANT under this Agreement shall be subject to review for compliance with the terms of this Agreement by the DISTRICT's representative, Ryan Pearson, telephone number (702) 875-7064 or their designee. The DISTRICT's representative may delegate any or all of his/her responsibilities under this Agreement to appropriate staff members.

c) The DISTRICT shall assist the CONSULTANT in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the Work.

d) The CONSULTANT will not be responsible for accuracy of information or data supplied by the DISTRICT or other sources to the extent such information or data would be relied upon by a reasonably prudent CONSULTANT.

7) TRUTH-IN-NEGOTIATION CERTIFICATION:

Signing of this Agreement by the CONSULTANT shall constitute a truth-in-negotiation certification by the CONSULTANT that wage rates and other factual unit costs supporting the compensation of this Agreement are accurate, complete, and current at the time of execution of this Agreement. The original Agreement price and any additions thereto shall be adjusted to exclude any significant sums by which

the DISTRICT determines the Agreement price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such Agreement adjustments shall be made within one (1) year following the end of the term of this Agreement.

8) INDEPENDENT CONTRACTOR – NO JOINT VENTURE:

The relationship of the CONSULTANT to the DISTRICT hereunder shall be that of an Independent Contractor as defined by NRS 616A.255 or other Nevada state or federal law. Nothing herein shall be construed to imply an employer and employee relationship, a joint venture, or principal and agent relationship.

9) INTELLECTUAL PROPERTY ACKNOWLEDGMENT:

In consideration of the covenants, representations and warranties set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the CONSULTANT hereby covenants, represents and warrants the following:

a) All content developed on behalf of the DISTRICT, in whole or in part, solely or jointly by the CONSULTANT and all of the CONSULTANT's employees, associates or subcontractors assisting in creating developments and/or other work product, whether or not copyrightable or otherwise protected, including, without limitation, advertisements and marketing material ("Work Product") arising from the Work performed pursuant to, or arising out of the DISTRICT's engagement of the CONSULTANT, or previously conceived in anticipation of work to be performed in regard to the DISTRICT's engagement of the CONSULTANT, shall be deemed "work made for hire" as defined in the copyright laws of the United States of America (17 U.S.C. §101 et seq.) and the DISTRICT shall own all right, title, and interest, including, without limitation, all copyrights and other intellectual property right, title, and interest ("Right") in and to the Work Product.

b) To the extent that the CONSULTANT is deemed to have or retain any Right or otherwise possess any Right in and to any Work Product, the CONSULTANT hereby assigns, transfers, and conveys, all such Right to the DISTRICT.

c) The CONSULTANT shall execute all documents and undertake all actions necessary to clarify that the DISTRICT maintains the ownership of all of the Work Product and to allow the DISTRICT to apply for registrations of the Work Product, as well as maintain any registrations gained, including, without limitation, the Intellectual Property Assignment set forth in "Intellectual Property Assignment".

d) The CONSULTANT hereby waives and releases any claim of infringement of any Right of the CONSULTANT (whether based in any intellectual property Right, other proprietary interest whatsoever, or fiduciary theory) in, to or respecting any Work Product (including, without limitation, any claim based on any of the CONSULTANT's rights in any Work Product which may be construed as "works of visual art" as defined in the Visual Arts Rights Act of 1990, 17 U.S.C. § 106A) and shall never challenge nor dispute the DISTRICT's Right in and to the Work Product.

10) INTELLECTUAL PROPERTY ASSIGNMENT:

In consideration of the covenants, representations and warranties set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the CONSULTANT hereby sells, conveys, transfers and assigns to the DISTRICT all of the CONSULTANT's right, title, license and interest (including, without limitation, all intellectual property right, title, license and interest) in and to any and all Work Product designed, developed, or created by the CONSULTANT or otherwise arising out of the CONSULTANT's Work and related content by and for the benefit of the DISTRICT (including, without limitation, patent applications, issued patents, prototypes for the purpose of same, and other associated derivatives) including, without limitation, all marks, all goodwill associated with such patents, trade secrets, and copyrights in and to, relating to, associated with and/or arising from the Work, the right to applications, issuance, continuations, and

divisionals of such patents and the right to applications, registrations, renewals, reissues, and extensions of such marks and copyrights, and the right to sue and recover for any past and/or continuing infringements or contract breaches, said rights, titles, licenses and interests to be held and enjoyed by the DISTRICT, for the DISTRICT's own use and benefit and for the use and benefit of the DISTRICT's successors, assigns or other legal representatives, as fully and entirely as the same would have been held and enjoyed by the CONSULTANT if this sale, conveyance, transfer and assignment had not been made.

11) INTERPRETATION:

The Parties agree that neither Party shall be deemed the drafter of this Agreement and, in the event this Agreement is ever construed by a court of law or equity, such court shall not construe this Agreement or any provision hereof against either Party as drafter of this Agreement.

12) CONFLICT OF INTEREST:

During the course of performance of this Agreement, the CONSULTANT will not contract with any client whose interest is adverse to or would require the CONSULTANT to take a position contrary to that of the Las Vegas Valley Water District and/or the Southern Nevada Water Authority.

13) PROHIBITION AGAINST COMMISSION FOR OBTAINING AGREEMENT:

The CONSULTANT warrants that no person or company has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees; nor has the CONSULTANT paid or agreed to pay any person, company, corporation, individual or firm other than a partner or bona fide employee, any fee, commission, contribution, donation, percentage, gift, or any other consideration, contingent upon or resulting from award of this Agreement. For any breach or violation of this warranty, the DISTRICT shall have the right to terminate this Agreement without liability, or at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration and any other damages.

14) PROHIBITION AGAINST INTEREST BY GOVERNMENT EMPLOYEES:

a) No officer, employee, or member of the governing body of the DISTRICT shall (1) participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is, directly or indirectly, interested; or (2) have any interest, direct or indirect, in this Agreement or the proceeds thereof.

b) The CONSULTANT represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Work required to be performed under this Agreement. The CONSULTANT further covenants that in the performance of said Work, no person having any such interest shall be employed.

c) No member of, delegate to, or officer or employee of the legislative, executive or judicial branches of the government of the United States, of the State of Nevada or any of its political subdivisions shall be entitled to any share or part hereof or to any benefit to arise therefrom.

15) COMPLETENESS AND ACCURACY OF CONSULTANT'S WORK:

a) The CONSULTANT shall be responsible for the completeness and accuracy of its research, supporting data, and any final reports or other deliverables prepared or compiled pursuant to this Agreement and shall correct, at its expense, all errors or omissions therein.

b) The cost necessary to correct those errors attributable to the CONSULTANT and any damage incurred by the DISTRICT as a result of additional costs caused by such errors shall be chargeable to the CONSULTANT. The fact that the DISTRICT has accepted or approved the CONSULTANT's Work shall in no way relieve the CONSULTANT of any of its responsibilities.

16) INDEMNIFICATION:

a) For all claims based upon or arising out of the Work of the CONSULTANT, the CONSULTANT shall indemnify and hold harmless, without cost to the DISTRICT, its Board of Directors and its officers, agents, and employees (the "DISTRICT Parties"), against any and all losses, claims, costs, damages, actions, proceedings, and liability to the extent that such losses, claims, costs, damages, actions, proceedings, and liability are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the CONSULTANT or the employees of the CONSULTANT. This indemnification includes, but is not limited to, reasonable attorneys' fees and costs and claims for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever, whether the person(s) or property of CONSULTANT, its agents, or of third parties; harassment or discrimination or any theory of joint or dual employment by CONSULTANT's employees, agents, subcontractors, arising out of the Work under this Agreement; or infringement on any U.S. patent (issued as of the Effective Date) or any copyright or trademark.

If such claim(s) results in a trier of fact's adjudication of CONSULTANT as liable, the CONSULTANT shall pay to the DISTRICT the reasonable attorneys' fees and costs which are determined to equate to the proportionate liability of the CONSULTANT, as reimbursement for the attorneys' fees and costs incurred by the DISTRICT in defending the claim.

b) For all claims not based upon or arising out of the Work of the CONSULTANT, the CONSULTANT shall indemnify, hold harmless, and defend, without cost to the DISTRICT Parties, against any and all losses, claims, costs, damages, actions, proceedings, and liability to the extent that such losses, claims, costs, damages, actions, proceedings, and liability are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the CONSULTANT or the employees of the CONSULTANT. This indemnification includes, but is not limited to, reasonable attorneys' fees and costs and claims for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever, whether the person(s) or property of the CONSULTANT, its agents, or of third parties; harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors, arising out of the Work under this Agreement; or infringement on any U.S. patent (issued as of the Effective Date) or any copyright or trademark. The DISTRICT Parties may assume, at their sole option, control of the defense, appeal or settlement of any third-party claim for which the CONSULTANT has indemnified the DISTRICT Parties by giving written notice of the assumption to the CONSULTANT. The DISTRICT Parties may not settle or compromise any claim or consent to the entry of any judgment regarding claims for which the CONSULTANT has indemnified the DISTRICT Parties without the prior written consent of the CONSULTANT, which consent shall not be unreasonably withheld, conditioned or delayed. The indemnification provided by the CONSULTANT to the DISTRICT Parties applies to all insurance policies of the CONSULTANT, whether primary, excess or umbrella coverage is provided to the CONSULTANT.

17) SCHEDULE FOR PERFORMANCE OF WORK:

a) Time is of the essence in this Agreement.

b) CONSULTANT has included as a part of Exhibit A CONSULTANT's baseline schedule for performance of the Work. At each submittal milestone included in the CONSULTANT's schedule, CONSULTANT shall provide a sealed and signed letter by an individual at the CONSULTANT in a supervisory capacity over the project manager affirming that:

i) An internal quality control review was performed prior to the submittal of the documents to the DISTRICT; and

ii) All previous agency received comments have either been addressed or requests for variances have been submitted to the agency and copied to the DISTRICT.

c) If the CONSULTANT's performance of the Work is delayed or if the CONSULTANT's sequence of tasks is changed, the CONSULTANT shall notify the DISTRICT's representative in writing of the reasons for the delay and prepare a revised schedule for performance of the Work. The revised schedule is subject to the DISTRICT's written approval.

18) INSURANCE:

a) General:

i) The CONSULTANT shall not commence Work under this Agreement until it has obtained all insurance required under this Agreement with insurance companies reasonably acceptable to the DISTRICT, nor shall the CONSULTANT allow any subcontractor to commence Work until all similar insurance required of the subcontractor has been so obtained. The CONSULTANT shall continue to pay all premiums due for the insurance required under this Agreement during the applicable policy periods and shall notify the DISTRICT of any changes to their insurance coverage.

ii) The DISTRICT shall be named as an additional insured, under the CONSULTANT's commercial general liability, automobile liability, excess and/or umbrella liability policies. In the event of a loss arising out of or related to the performance of the Work by the CONSULTANT or its subcontractor(s) hereunder, all insurance required under this Agreement shall be primary (pay first) with respect to any other insurance which may be available to the DISTRICT, regardless of how the "other insurance" provisions may read. The CONSULTANT agrees to waive its rights of subrogation against the DISTRICT, and the CONSULTANT's insurers shall also waive their rights to recover, as evidenced by an endorsement. The additional insured and waiver of subrogation language shall read as follows:

The Las Vegas Valley Water District, its members and affiliated companies, successors or assigns, including their directors, officers and employees individually and collectively when acting in the scope of the employment. Also, all owners of the property where the Work will be performed.

iii) The DISTRICT shall also be named as an additional insured under the subcontractor's insurance policies. Any deviation from the required insurance requirements will need to be approved by the DISTRICT in writing. Nothing contained in this Paragraph is to be construed as limiting the extent of the CONSULTANT's or subcontractor's liability for claims arising out of this Agreement. The CONSULTANT and subcontractor shall be responsible for insuring all of their own personal property, tools and equipment.

iv) If the CONSULTANT fails to procure and maintain the insurance as required herein, in addition to other rights or remedies, the DISTRICT shall have the right, if the DISTRICT so chooses, to procure and maintain the required insurance in the name of the CONSULTANT with the DISTRICT as an additional named insured. The CONSULTANT shall pay the cost thereof and shall furnish all necessary information to maintain the procured insurance. In the event the CONSULTANT fails to pay the cost, the DISTRICT has the right to set-off any sums from the compensation due to the CONSULTANT set forth in this Agreement and directly pay for such coverage.

v) With respect to all insurance required under this Agreement, the deductible shall not exceed $50,000 without the prior written approval of the Risk Manager of the DISTRICT.

b) Evidence of Insurance:

i) The CONSULTANT's insurance shall be written with a property and casualty insurance company with an AM Best Financial Strength Rating of A- or higher and an AM Best Financial Size Category of Class VIII or higher.

ii) Within ten (10) Business Days after the Effective Date, the CONSULTANT shall deliver to the DISTRICT a certificate of insurance documenting the required insurance coverage. Upon request of the DISTRICT, the CONSULTANT agrees to provide a copy of all insurance policies required under this Agreement. For the purposes of this Agreement, the term Business Day shall mean Monday through Thursday, excluding legal holidays recognized under NRS 236.015.

iii) Renewal certificates shall be provided to the DISTRICT not later than fifteen (15) calendar days prior to the expiration of policy coverage.

iv) All insurance policies shall require the insurer to provide a minimum of thirty (30) calendar days' prior notice to the DISTRICT for any material change in coverage, cancellation, or non-renewal, including, without limitation, for non-payment of premium.

c) Insurance Coverages:

i) Commercial General Liability Insurance: the CONSULTANT shall maintain commercial general liability insurance, contractual liability, protective liability from independent contractors, property damage liability, bodily injury liability, and personal injury liability with limits of $1,000,000 per occurrence, and $2,000,000 annual aggregate. The limit may be satisfied by a combination of primary and excess/umbrella insurance.

ii) Business Automobile Insurance: the CONSULTANT shall maintain business auto insurance for any owned, non-owned, hired, or rented vehicle with a limit of $1,000,000 combined single limit for bodily injury and property damage liability. The limit may be satisfied by a combination of primary and excess/umbrella insurance.

iii) Workers' Compensation & Employers Liability Insurance: the CONSULTANT shall maintain statutory workers' compensation insurance in accordance with the laws of the state where such compensation is payable. In addition, the insurance the CONSULTANT maintains shall comply with Nevada Industrial Insurance Act, NRS Chapters 616 and 617, for all of its employees performing the Work pursuant to this Agreement.

The CONSULTANT shall maintain employers' liability insurance with limits of $1,000,000 per accident and $1,000,000 for each employee for injury by disease. The CONSULTANT shall maintain insurance for benefits payable under the U.S. Longshore and Harbor Workers Act and the Jones Act, for exposures that may exist.

In the event the CONSULTANT is permissibly self-insured for workers' compensation insurance in the State of Nevada, the CONSULTANT shall deliver to the DISTRICT a copy of the Certificate of Consent to self-insure issued by the State of Nevada.

iv) Professional Liability Insurance: the CONSULTANT shall maintain professional liability insurance applicable to the CONSULTANT's Work as set forth in this Agreement, with limits of not less than $1,000,000 for each occurrence and $1,000,000 policy aggregate. This coverage should be maintained for a period of not less than two (2) years after completion of the CONSULTANT's Work as set forth in this Agreement.

v) Cyber and Technology Liability Insurance: the CONSULTANT shall maintain Cyber and Technology liability insurance providing coverage for technology and professional services; privacy and cyber security; and privacy regulatory defense, awards and fines with limits of $1,000,000 per occurrence and $1,000,000 annual aggregate.

19) TERMINATION:

The DISTRICT's General Manager or his/her designee may terminate this Agreement on thirty (30) calendar days' prior written notice. In the case of termination by the DISTRICT, the DISTRICT shall pay

the CONSULTANT for all Work performed to the effective date of termination and the reasonable costs of transferring all documentation of all Work to the DISTRICT.

20) REVIEWS:

a) The CONSULTANT shall submit draft reports and other materials for review by the DISTRICT prior to the submission of a final report on materials. Due dates will be negotiated, but in every instance, earlier submittal is encouraged.

b) The DISTRICT will review the submittals and any pertinent attachments and mark all required changes. All reviews will be completed within ten (10) Business Days after receipt of the submission package, and the package will be returned to the CONSULTANT. Corrections and changes to the submission will be made by the CONSULTANT and resubmitted to the DISTRICT for approval within ten (10) Business Days after receipt. The final approval will be submitted to the CONSULTANT within five (5) Business Days after receipt of the corrected document and any attachments. Alternate review schedules may be negotiated by mutual agreement of the Parties.

21) CONFIDENTIALITY AND RELEASE OF INFORMATION:

Through the terms of this Agreement, the CONSULTANT may furnish the DISTRICT with information that the CONSULTANT has independently determined to be confidential under Nevada law and that the CONSULTANT will label "Confidential Information". "Confidential Information" means confidential and proprietary information of the CONSULTANT that is disclosed to the DISTRICT which, in the case of written information, is marked "confidential" and which, in the case of information disclosed orally, is identified at the time of the disclosure as confidential and will be summarized and confirmed in writing as such by the CONSULTANT to the DISTRICT within thirty (30) calendar days of the disclosure. Confidential Information shall not include information that: (a) is now or subsequently becomes generally available to the public through no fault or breach of the DISTRICT; (b) the DISTRICT can demonstrate to have had rightfully in its possession prior to disclosure by the CONSULTANT; (c) is independently developed by the DISTRICT without the use of any Confidential Information; or (d) the DISTRICT rightfully obtains from a third party who has the right to transfer or disclose it.

The DISTRICT and the CONSULTANT recognize the DISTRICT's duties under the Nevada Public Records Act and do not, by this Agreement, intend to alter the DISTRICT's duties thereunder or to require the DISTRICT to do, or refrain from doing, anything contrary to the Nevada Public Records Act. The DISTRICT's Office of General Counsel shall be permitted to make an independent determination as to whether any document or record marked "confidential" is confidential or is a public record, pursuant to the Nevada Public Records Act. If the DISTRICT's Office of General Counsel determines that any document or record supplied by the CONSULTANT and marked "confidential" is determined to be a public record the DISTRICT may disclose that document or record to the extent required by the Nevada Public Records Act with prior notice to the CONSULTANT. Upon receipt of any request for Confidential Information, this Agreement, or any part thereof, the DISTRICT will promptly forward the request to the CONSULTANT and work with the CONSULTANT in good faith to coordinate a response to the request and strive to prevent the disclosure of information considered confidential by the Nevada Public Records Act.

Further, the CONSULTANT shall make public information releases only as provided for and in accordance with this Agreement. Any and all other public releases of information gathered, obtained, or produced during the performance of this Agreement must be specifically approved in writing by the DISTRICT prior to release. Such information shall include, but is not limited to, all products, intellectual property, Work Product, ideas, data, reports, background materials, and any and all other materials belonging to the DISTRICT. Such public releases of information shall include, but are not limited to, publication in any book, newspaper, magazine, professional or academic journal, the Internet, radio, television, and presentations to professional, academic, and/or other groups or conferences. The

CONSULTANT's use of Facility Information is governed in this Agreement's Data Privacy and Security Paragraph below.

22) USE OF MATERIALS:

a) The DISTRICT shall make available to the CONSULTANT such materials from its files as may be required by the CONSULTANT in connection with its performance of Work under this Agreement. Such materials shall remain the property of the DISTRICT while in the CONSULTANT's possession.

b) Upon termination of this Agreement, the CONSULTANT shall turn over to the DISTRICT any property of the DISTRICT in its possession and any calculations, notes, reports, or other materials prepared by the CONSULTANT in the course of performing this Agreement. Any proprietary software or other tools of the CONSULTANT used to execute the Work shall remain the property of the CONSULTANT.

23) PROJECT MANAGEMENT INFORMATION SYSTEM TERMS OF USE:

a) The DISTRICT uses various project management information systems ("PMIS"). The DISTRICT will notify the CONSULTANT what PMIS the DISTRICT will be using for the management of this Agreement.

b) Due to the sensitive nature of information contained within the PMIS, the DISTRICT requires that the CONSULTANT agree to the PMIS terms of use. By entering into this Agreement, the CONSULTANT agrees to be bound by and to bind its employees to the following terms of use ("Terms of Use").

i) Access to PMIS provided by the DISTRICT is for authorized users and organizations only. To protect this software from unauthorized use and to ensure that the software functions properly, activities on PMIS and use of this application, related data, and/or related services (collectively "PMIS Services") are monitored and recorded and subject to audit.

ii) The CONSULTANT and its employees will abide by the typical use of protected applications/software, including but not limited to:

(1) Authorized users cannot give out their login information to another party.

(2) Authorized users shall notify the DISTRICT within two (2) Business Days of any changes in their employment to allow for an appropriate adjustment in their access privileges.

(3) Access to PMIS will be revoked upon completion of the Work, termination of the Agreement, or the individual user's separation from performing duties associated with the Work, whichever comes first.

(4) These PMIS Services are provided for the convenience of contractors and engineering firms. The DISTRICT is not responsible for any issues created by a malfunction of these PMIS Services.

(5) The CONSULTANT agrees to use PMIS for work related content. The use of PMIS as a document management system to store unrelated documents or files is expressly prohibited.

(6) The CONSULTANT agrees not to remove or modify any copyright or other intellectual property notices that appear in PMIS or associated PMIS Services.

iii) The CONSULTANT agrees not to use the PMIS Services in any way that is unlawful, or harms the DISTRICT, its service providers, suppliers or any other user. The CONSULTANT agrees not to use the PMIS Services in any way that breaches any other policy or notice on the PMIS

Services. The DISTRICT's failure to act with respect to a breach by the CONSULTANT or others does not waive its right to act with respect to subsequent or similar breaches.

iv) NO WARRANTY. The DISTRICT provides the PMIS Services "As Is," "With All Faults" and "As Available," and the entire risk as to satisfactory quality, performance, accuracy, and effort is with the CONSULTANT, to the maximum extent permitted by applicable law. The DISTRICT and its suppliers make no representations, warranties or conditions, express or implied. The DISTRICT and its suppliers expressly disclaim any and all warranties or conditions, express, statutory and implied, including without limitation (1) warranties or conditions of merchantability, fitness for a particular purpose, workmanlike effort, accuracy, title, no encumbrances, no liens and non-infringement; (2) warranties or conditions course of dealing or usage of trade; and (3) warranties or conditions of uninterrupted or error-free access or use.

v) LIABILITY LIMITATION; EXCLUSIVE REMEDY. In addition to applicable Nevada laws regarding sovereign immunity, in no event will the DISTRICT or any supplier be liable for any damages including, without limitation, any indirect, consequential, special, incidental, or punitive damages arising out of, based on, or resulting from these Terms of Use or the CONSULTANT's use of the PMIS Services, even if such party has been advised of the possibility of such damages. The exclusion of damages under this paragraph is independent of the user's exclusive remedy and survives in the event such remedy fails of its essential purpose or is otherwise deemed unenforceable. These limitations and exclusions apply without regard to whether the damages arise from (1) breach of contract; (2) breach of warranty; (3) negligence; or (4) any other cause of action, to the extent such exclusion and limitations are not prohibited by applicable law. If the CONSULTANT has any dispute or claim against the DISTRICT or its suppliers with respect to these Terms of Use or the PMIS Services, then the CONSULTANT's sole and exclusive remedy is to discontinue using the PMIS Services.

vi) The DISTRICT reserves the right to change the Terms of Use and will provide notice of any change to the CONSULTANT. Continued use of the PMIS Services after the effective date of such changes will constitute acceptance of and agreement to any such changes. The DISTRICT may change, suspend, or discontinue the PMIS Services associated with PMIS at any time without notice to all or selected users. The DISTRICT may assign these Terms of Use, in whole or in part, at any time with or without notice to the CONSULTANT. The CONSULTANT may not assign these Terms of Use, or assign, transfer or sublicense its rights, if any, in the PMIS Services.

vii) These Terms of Use are governed by the laws of the State of Nevada, without giving effect to its conflict of laws provisions. The CONSULTANT agrees to submit to exclusive jurisdiction and venue in the state and federal courts sitting in Clark County, Nevada, for any and all disputes, claims and actions arising from or in connection with the Services and/or these Terms of Use.

viii) If any part of these Terms of Use is determined to be invalid or unenforceable, then the invalid or unenforceable provision will be replaced with a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of these Terms of Use will continue in effect.

ix) Except as expressly stated herein, these Terms of Use constitute the entire agreement between the DISTRICT and the CONSULTANT with respect to the PMIS Services and supersede all prior or contemporaneous communications of any kind between the DISTRICT and the CONSULTANT with respect to the PMIS Services.

x) The PMIS Services are subject to the intellectual property rights of the DISTRICT and to the Nevada public records law.

24) DATA PRIVACY AND SECURITY:

a) During the course of this Agreement, the CONSULTANT will create, receive, or have access to the District's Facility Information and the Facility Information of the Southern Nevada Water Authority ("Authority"). Facility Information means drawings, maps, plans, or records that reveal the District's or the Authority's critical infrastructure of primary buildings, facilities and other structures used for storing, transporting, or transmitting water or electricity, other forms of energy, fiber optic cables, or vertical assets used for the transmission or receipt of data or communications used by the District and the Authority. Facility Information is deemed to be Confidential Information of the District and the Authority.

b) The CONSULTANT shall:

i) Keep and maintain all Facility Information in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure, including, at a minimum, strong password protection and encryption for data at rest and in transit on any network;

ii) Ensure that all Facility Information is stored only in data center(s) that are subject to United States federal jurisdiction;

iii) Not create, collect, receive, access, or use Facility Information in violation of law;

iv) Use and disclose Facility Information solely and exclusively for the purposes of providing Work under this Agreement;

v) Not use, sell, rent, transfer, distribute, or otherwise disclose or make available Facility Information for their own purposes or for the benefit of anyone other than the DISTRICT without the DISTRICT's prior written consent;

vi) Not, directly or indirectly, disclose Facility Information to any person other than its Authorized Persons, without the DISTRICT's prior written consent. Authorized Persons means the CONSULTANT's employees, contractors, subcontractors, consultants, subconsultants, agents, or auditors who have a need to know or otherwise access Facility Information to enable the CONSULTANT to perform its obligations under this Agreement, and who are bound in writing by confidentiality and other obligations sufficient to protect Facility Information in accordance with the terms and conditions of this Agreement; and

vii) Prior to disclosure of Facility Information to any Authorized Persons, ensure that those Authorized Persons are contractually bound to comply with all provisions of this Data Privacy and Security Paragraph. The CONSULTANT acknowledges that it will be liable to the DISTRICT for any and all damages the DISTRICT incurs from the CONSULTANT's failure to ensure that its Authorized Persons are contractually bound to comply with all provisions of this Data Privacy and Security Paragraph.

c) CONSULTANT ACKNOWLEDGES THAT THE UNLAWFUL DISCLOSURE OF SUCH RECORDS MAY SUBJECT THE CONSULTANT TO CRIMINAL LIABILITY PURSUANT TO NRS 239C.210(3).

d) Security Breach means any act or omission that compromises either the security, confidentiality, or integrity of Facility Information or the physical, technical, administrative, or organizational safeguards put in place by the CONSULTANT or by the DISTRICT to the extent that the CONSULTANT has access to the DISTRICT's systems, that relate to the protection of the security, confidentiality, or integrity of Facility Information. Without limiting the foregoing, a compromise shall include any unauthorized access to or disclosure or acquisition of Facility Information.

e) The CONSULTANT shall:

i) Notify the DISTRICT of any Security Breach as soon as practicable, but no later than twenty-four (24) hours after the CONSULTANT becomes aware of it, by telephone at the following number: 702-258-3889 and by email to databreachnotice@lvvwd.com, with a copy by email to the DISTRICT's contacts listed in the Notices Paragraph below;

ii) At its own expense, coordinate and fully cooperate with the DISTRICT in the DISTRICT's handling of the matter;

iii) Use its best efforts to immediately contain and remedy any Security Breach and prevent any further Security Breach;

iv) Maintain and preserve all documents, records, and other data related to any Security Breach; and

v) Reimburse the DISTRICT for all actual costs incurred by the DISTRICT in responding to and mitigating damages caused by any Security Breach.

f) The CONSULTANT acknowledges that any breach of its covenants or obligations set forth in this Data Privacy and Security Paragraph may cause the DISTRICT irreparable harm for which monetary damages would not be adequate compensation and agrees that, in the event of such breach or threatened breach, the DISTRICT is entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance, and any other relief that may be available from any court, in addition to any other remedy to which the DISTRICT may be entitled at law or in equity. Such remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary.

g) The CONSULTANT has completed and provided to the DISTRICT the Business Partner Security Checklist providing accurate information on its security program including appropriate policies and procedures. The CONSULTANT agrees to maintain a comparable or better information security program to that disclosed in the Business Partner Security Checklist throughout the course of this Agreement that is reviewed for new risk assessments at least annually.

h) The CONSULTANT shall implement the administrative, physical and technical safeguards disclosed in the Business Partner Security Checklist to protect Facility Information from unauthorized access, acquisition or disclosure, destruction, alteration, accidental loss, misuse or damage that are no less rigorous than the current version of the CIS Controls as published by the Center for Internet Security, Inc., or its successor organization, or corresponding standards adopted by the National Institute of Standards and Technology of the United States Department of Commerce, and shall ensure that all such safeguards, including the manner in which Facility Information is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement.

i) The CONSULTANT shall return, destroy, or otherwise appropriately disposition any written or digital data and copies thereof upon the termination or completion of this Agreement, or as otherwise provided by law.

25) RECORDS:

The CONSULTANT shall retain financial and other records related to this Agreement for six (6) years after the completion or termination of this Agreement, and shall make available to the DISTRICT for inspection, all books, records, documents, and other evidence directly pertinent to performance under this Agreement upon reasonable notice.

26) ASSIGNMENT:

The CONSULTANT shall not assign or transfer its interest in this Agreement without the prior written consent of the DISTRICT. If the CONSULTANT assigns or transfers without prior written approval, the assignment or transfer shall be void, and not merely voidable.

27) SEVERABILITY:

If any term of this Agreement is to any extent illegal, invalid, or unenforceable, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms of this Agreement shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term. If application of this Paragraph should materially and adversely affect the economic substance of the transactions contemplated in this Agreement, the Party adversely impacted shall be entitled to compensation for such adverse impact.

28) NON-DISCRIMINATORY EMPLOYEE PRACTICES:

a) The CONSULTANT and any subcontractor working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Work provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964, Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, Title I of the Americans with Disabilities Act and all associated rules and regulations.

b) The CONSULTANT recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, national origin, or any other protected status, the DISTRICT may declare the CONSULTANT in breach of the Agreement, terminate the Agreement, and designate CONSULTANT as non-responsible.

29) EQUAL EMPLOYMENT OPPORTUNITY:

a) The CONSULTANT and any subcontractor working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Work provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964. This requirement includes compliance with Equal Employment Opportunity Commission regulations that prohibit discrimination based upon race, color, religion, sex, or national origin. Furthermore, the CONSULTANT shall in all relevant manners comply with the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, and Title I of the Americans with Disabilities Act.

b) The CONSULTANT shall make all necessary documentation as required to comply with the Acts referred to above and shall make such documentation immediately available to the DISTRICT upon the DISTRICT's request. The CONSULTANT is solely liable for failure to comply with this provision.

30) APPLICABLE LAW:

Nevada law shall govern the interpretation of this Agreement, without reference to its choice of law provisions.

31) VENUE:

The Parties agree that venue for any dispute arising from the terms of this Agreement shall be Clark County, Nevada.

32) ATTORNEY'S FEES:

In the event that any Party commences an action to enforce or interpret this Agreement, or for any other remedy based on or arising from this Agreement, the prevailing Party therein shall be entitled to recover its reasonable and necessary attorneys' fees and costs incurred.

33) NO THIRD-PARTY RIGHTS:

This Agreement is not intended by the Parties to create any right in or benefit to parties other than the DISTRICT and the CONSULTANT. This Agreement does not create any third-party beneficiary rights or causes of action.

34) WAIVER:

The failure of either Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

35) CAPTIONS:

The captions contained in this Agreement are for reference only and in no way to be construed as part of this Agreement.

36) COUNTERPARTS:

This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which, when so executed, shall be deemed an original, and all counterparts together shall constitute one and the same instrument.

37) INTEGRATION:

This Agreement contains the entire understanding between the Parties relating to the transactions contemplated by this Agreement, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, regarding the subject matter of this Agreement are merged in this Agreement and shall be of no further force or effect.

38) NOTICES:

Any and all notices, demands or requests required or appropriate under this Agreement (including invoices) shall be given in writing and signed by a person with authorization to bind the CONSULTANT or the DISTRICT, either by personal delivery, via a scanned document sent via email, or by registered or certified mail, return receipt requested, addressed to the following addresses:

To CONSULTANT:	Welles Pugsley Architects LLP dba Simpson Coulter Studio Attention: Joy Rineer 151 E. Warm Springs Rd. Las Vegas, Nevada 89119 jrineer@simpsoncoulter.com
To DISTRICT:	Las Vegas Valley Water District Attention: Ryan Pearson 1001 South Valley View Boulevard Las Vegas, Nevada 89153 pearsonr@lvvwd.com

With copy to: (excluding invoices)	Las Vegas Valley Water District Attention: General Counsel 1001 South Valley View Boulevard, MS 475. Las Vegas, Nevada 89153 generalcounsel@lvvwd.com

When notice is given by mail, it shall be deemed served three (3) Business Days following deposit, postage prepaid in the United States mail. When notice is given by email transmission, it shall be deemed served upon receipt of confirmation of transmission if transmitted during normal business hours or, if not transmitted during normal business hours, on the next Business Day following the email transmission.

The Parties may designate a new contact person under this provision for notices or invoices or change the addresses or email addresses identified above by notifying the other Party in writing.

39) AMENDMENT:

This Agreement may only be amended or modified in a writing stating specifically that it amends this Agreement and is signed by an authorized representative of each Party.

40) AUDITS:

The performance of this Agreement by the CONSULTANT is subject to review by the DISTRICT to ensure contract compliance at the discretion of the DISTRICT. The CONSULTANT agrees to provide the DISTRICT any and all information requested that relates to the performance of this Agreement. All requests for information will be in writing to the CONSULTANT. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of contract and be cause for suspension and/or termination of the Agreement.

41) SURVIVAL:

Subject to the limitations and other provisions of this Agreement, the obligations contained in the Paragraph entitled "Audits" of this Agreement will survive the expiration or earlier termination of this Agreement for a period of twelve (12) months after such expiration or termination; and, the Paragraphs entitled "Intellectual Property Acknowledgment", "Intellectual Property Assignment", "Indemnification", "Confidentiality and Release of Information", "Data Privacy and Security", "Applicable Law", "Venue", and "Attorney's Fees" of this Agreement, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, will survive the expiration or earlier termination of this Agreement indefinitely.

42) FORCE MAJEURE:

a) A Force Majeure Event is defined as an act beyond the affected Party's reasonable control, including: (1) acts of God; (2) flood, fire, earthquake, or explosion; (3) war (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, with a direct impact on this Agreement; (4) if site access is necessary to perform the Work under this Agreement, site restrictions for elevated security risks; and (5) industry-wide strikes with a direct impact on this Agreement. The CONSULTANT's economic hardship and changes in market conditions are not considered Force Majeure Events.

b) Both the DISTRICT and the CONSULTANT have evaluated the effects of COVID-19 on this Agreement. The DISTRICT and the CONSULTANT expressly agree that COVID-19 and what is known about COVID-19 as of the execution of this Agreement are not considered Force Majeure Events.

c) Where the CONSULTANT is prevented from completing any part of the Work under the Agreement due to a Force Majeure Event, the DISTRICT and the CONSULTANT shall agree to an extension

of time in an amount equal to the time lost due to such delay, the agreed extension shall be the CONSULTANT's sole and exclusive remedy for such delay, and the CONSULTANT shall not be entitled to an increase in the sums due under this Agreement. The CONSULTANT shall provide a revised schedule for performance in accordance with "Schedule for Performance of Work".

d) The Party suffering a Force Majeure Event shall give notice within five (5) calendar days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

43) COMPANIES THAT BOYCOTT ISRAEL:

The CONSULTANT certifies that it is not engaged in, and agrees for the duration of the Agreement and any renewal terms, not to engage in, a boycott of Israel. Boycott of Israel means, refusing to deal or conduct business with, abstaining from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel; or a person or entity doing business in Israel or in territories controlled by Israel, if such an action is taken in a manner that discriminates on the basis of nationality, national origin or religion. It does not include an action which is based on a bona fide business or economic reason; is taken pursuant to a boycott against a public entity of Israel if the boycott is applied in a non-discriminatory manner; or is taken in compliance with or adherence to calls for a boycott of Israel if that action is authorized in 50 U.S.C. § 4607 or any other federal or state law.

44) DISCLOSURE OF NO EMPLOYEE/OFFICIAL RELATIONSHIP AND NO EMPLOYEE/OFFICIAL OWNERSHIP/INVOLVEMENT:

The CONSULTANT affirms that:

a) No individuals holding more than five (5) percent ownership or financial interest in the CONSULTANT, none of the CONSULTANT's principals, and none of the CONSULTANT's employees have a relationship with any employee or official of the DISTRICT by first or second blood relatives or by marriage. First or second blood relative or marriage relationships include spouse, registered domestic partners, children, parents, in-laws (first degree), brothers/sisters, half-brothers/half-sisters, grandchildren, and grandparents (second degree).

b) No employee or official of the DISTRICT has any ownership or financial interest in the CONSULTANT exceeding five (5) percent.

c) No employee or official of the DISTRICT has any involvement with the negotiation of this Agreement on behalf of the CONSULTANT or involvement in the day-to-day activities of the CONSULTANT.

45) ELECTRONIC SIGNATURES:

Each Party agrees that the electronic signatures, whether digital or encrypted, of the Parties are intended to authenticate this writing and to have the same force and effect as manual signatures.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year last entered below.

Welles Pugsley Architects LLP dba Simpson Coulter Studio	**Las Vegas Valley Water District**
Joy Rineer (Jul 29, 2026 09:20:30 PDT)	John J. Entsminger (Jul 29, 2026 09:46:56 PDT)
Signature	Signature
Joy Rineer	John J. Entsminger
Print Name	Print Name
Principal	General Manager
Title	Title
07/29/2026	Jul 29, 2026
Date	Date

EXHIBIT A

SCOPE OF WORK

- Programming meetings, interviews, site walks, product research and other data collection necessary to make informed decisions about the space types, sizes and relationships with each other and to the site.
- Visioning and Program Verification meetings will be held to set goals, confirm the building components, and test relationships on the site.
- Site Studies of two locations on the Valley View campus. The site studies will also include easement research, utility locations and vehicle access and movement studies to help determine the usable real estate at each location.
- Utility Demands for water, sewer, power, communication and natural gas will be studied based on building system requirements.
- 2-3 HVAC system options will be studied to determine the desired approach to building heating and cooling.
- A Structural System Study will be prepared to compare pros and cons of potential structural systems including structural steel framing, masonry and tilt-up concrete construction.
- Floor Plans options will be developed to study three configurations.
- Massing and exterior elevation options will be prepared to study approaches to the exterior finishes and fenestration.
- A preliminary Grading/Drainage approach will be prepared to confirm the grading/drainage approach for each of the studied sites.
- A Code Analysis will be prepared including Zoning Codes, required Entitlements, On-Site Parking requirements, Screening requirements, Setbacks, and a Fire Protection/Life Safety approach.
- Engineering narratives will be developed to document the systems approach and guide development of a Schematic Level Opinion of Probable Cost.
- A detailed schedule of the project Feasibility, Construction Documents, and Permitting phases will be prepared or review and modification/approval prior to the Kick-off meeting.

The following disciplines are included in the Scope of Work: Geotechnical Evaluation, Civil Engineering, Landscape Architecture, Architecture, Interior Design, Structural Engineering, Plumbing, Mechanical and Electrical Engineering, Technology Design, Fire/Life Safety Consulting, Fire Sprinkler Design, Fire Alarm Design, and Cost Estimating.

Deliverables

0. Cross Departmental Priority Planning
   a. Cross Departmental Planning Summary Report
1. Feasibility Study & Schematic Design Services
   a. Tabular Program Document
   b. Program Relationship Studies
   c. Geotechnical Survey and Report
   d. Site Verification including Boundary and Topographic Study

e. Site Studies of two locations including Parking, Vehicular Access requirements

f. Conceptual Grading and Drainage approach for two site locations

g. Utility Demand Analysis

h. Life Cycle Analysis of 2-3 HVAC System Options

i. Structural System Study

j. Schematic Level Floor Plan Options (3)

k. Preliminary Interior Finishes Board (3)

l. Exterior Massing, Material and Fenestration Options (3)

m. Exterior Eye-Level Rendering (1)

n. Preliminary Code Analysis

o. Zoning Code Analysis

p. Opinion of Probable Cost

q. Detailed Project Schedule

Preliminary Design Schedule

A detailed schedule for the Feasibility Study is included as Attachment B

Attachment B

	Attachment B	LVVWD Warehouse Feasibility Study Schedule - DRAFT			
Task	**Name**	**Start**	**Finish**	**Duration**	**Depends on**
1	**Contract Approval**	**2/2/2026**	**7/14/2026**	**117 days**	
2	**Cross Departmental Priority Planning & Report**	**7/15/2026**	**10/14/2026**	**66 days**	**1FS**
3	**Programming**	**10/15/2026**	**12/14/2026**	**43 days**	**2FS**
4	Kick-off Meeting / Warehouse Tour	10/15/2026	10/21/2026	1 week	1FS
5	Workshop #1 Interviews	10/22/2026	10/23/2026	2 days	4FS
6	Data Synthesis, Workflow Diagrams & Space Studies	10/26/2026	11/4/2026	1.6 weeks	5FS
7	Workshop #2 Interviews, Review & Feedback	11/5/2026	11/6/2026	2 days	6FS
8	Tabular Program & Relationship Diagram Development	11/9/2026	11/18/2026	8 days	7FS
9	Department Review & Feedback Meeting	11/19/2026	11/20/2026	2 days	8FS
10	Prep Final Program Document	11/23/2026	11/30/2026	1.2 weeks	9FS
11	Submit Program for Owner Review	11/30/2026	11/30/2026	0 days	10FS
12	Owner Programming Review	12/1/2026	12/7/2026	1 week	11FS
13	Program Revisions	12/8/2026	12/14/2026	1 week	12FS
14	**Site Data Gathering**	**7/15/2026**	**8/25/2026**	**30 days**	
15	Boundary & Topo Survey (Entire Campus)	7/15/2026	8/11/2026	4 weeks	1FS
16	Utility Location & Easement Research	7/15/2026	8/11/2026	4 weeks	1FS
17	Prep Zoning Code Analysis	8/12/2026	8/25/2026	2 weeks	15FS
18	**Feasibility Study & Schematic Options**	**12/8/2026**	**4/22/2027**	**98 days**	
19	**Schematic Options**	**12/8/2026**	**4/7/2027**	**87 days**	
20	Site Data Review and Site Selection (2 Locations)	12/8/2026	12/28/2026	3 weeks	14FS, 12FS
21	Prep Preliminary Site & Plan Options	12/29/2026	1/18/2027	3 weeks	12FS, 20FS
22	Site & Plan Option Review	1/19/2027	1/20/2027	2 days	21FS
23	Prep Massing & Material Studies	1/21/2027	2/8/2027	2.6 weeks	22FS
24	Vehicular Movement Study	1/21/2027	1/27/2027	1 week	22FS
25	Site & Plan Refinement	1/21/2027	2/8/2027	2.6 weeks	22FS
26	Site, Plan, Massing & Material Review	2/9/2027	2/10/2027	2 days	23FS
27	Schematic Refinement	2/11/2027	2/25/2027	11 days	26FS
28	Schematic Narrative Prep	3/4/2027	3/17/2027	2 weeks	34FS
29	Consultant Deliverables to SCS	3/17/2027	3/17/2027	0 days	28FS
30	Prep Cost Estimate	3/18/2027	4/7/2027	3 weeks	29FS
31	Schematic QC Review	3/18/2027	3/31/2027	2 weeks	29FS
32	Schematic QC Revisions	4/1/2027	4/7/2027	1 week	31FS
33	Final Schematic Deliverables to SCS	4/7/2027	4/7/2027	0 days	32FS
34	**Systems Studies**	**1/21/2027**	**3/3/2027**	**30 days**	
35	HVAC Option Analysis	1/21/2027	2/10/2027	3 weeks	22FS
36	Prep Structural System Options	1/21/2027	2/10/2027	3 weeks	22FS
37	Utility Availability & Demand Study	1/21/2027	2/17/2027	4 weeks	22FS
38	Prep Grading/Drainage Approaches	1/21/2027	2/10/2027	3 weeks	22FS
39	System Review and Selection	2/18/2027	3/3/2027	2 weeks	37FS, 36FS, 35FS
40	**Prep/Print Feasibility Study Submittal**	**4/8/2027**	**4/8/2027**	**1 day**	**33FS**
41	**Feasibility Study to LVVWD**	**4/8/2027**	**4/8/2027**	**0 days**	**40FS**
42	**Owner Review & Option Approval**	**4/9/2027**	**4/22/2027**	**2 weeks**	**41FS**

RATES AND FEES

Civil	$27,880
Landscape	$3,200
Structural	$17,000
Plumbing, Mechanical, Electrical	$62,250
Fire/Life Safety, Fire Alarm & Sprinkler	$16,000
Cost Estimating	$9,000
Geotechnical	$13,500
Sub-Total	$148,830
Sub- Consultant Administration	$14,883
Architectural – Deliverable 0 (T&M)	$127,400
Architectural – Deliverable 1 (LS)	$443,856
Contingency	$60,757
TOTAL	**$795,726**

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM

November 3, 2026

Subject: Resolution
Petitioner: Paul Johnson, Chief Financial Officer
Recommendations: That the Board of Directors adopt a resolution authorizing the dissolution, winding up, and liquidation of the LVVWD CI, LLC, subject to the approval of the Nevada Division of Insurance, and authorizing related actions.

Fiscal Impact:
No anticipated fiscal impact by approval of the above recommendation; all costs associated with the dissolution of LVVWD CI, LLC will be paid from existing captive funds.

Background:
On March 2, 2021, the Board of Directors authorized the District to form and operate a captive insurer to supplement the District's insurance needs. The District subsequently formed LVVWD CI, LLC (LVVWD CI) as a Nevada limited-liability company and pure captive insurer licensed by the Nevada Division of Insurance (NDOI). The District is the company's sole member.

The District has determined that maintaining LVVWD CI is no longer necessary or advantageous and that dissolution is in the District's best interest. The company's First Amended and Restated Operating Agreement permits the District, as sole member, to approve its dissolution, winding up, and liquidation, subject to the approval of the NDOI.

If approved, the resolution authorizes the General Manager to execute the necessary sole-member action and related documents. The District's Chief Financial Officer, acting as Treasurer of LVVWD CI, will supervise the wind-up, and the Director of the District's Risk Management Department will coordinate and perform the necessary duties under the Treasurer's direction.

Following Board approval, LVVWD CI will seek regulatory approval and complete the corporate, financial, and administrative actions necessary to resolve its remaining obligations, surrender its certificate of authority, and file Articles of Dissolution with the Nevada Secretary of State.

The dissolution, winding up, and liquidation of LVVWD CI, LLC are being undertaken pursuant to Sections 1(13) of the Las Vegas Valley Water District Act, Chapter 167, Statutes of Nevada 1947, as amended; Chapter 694C of the Nevada Revised Statutes; and the First Amended and Restated Operating Agreement of LVVWD CI, LLC. The Office of the General Counsel has reviewed and approved the resolution.

JJE:PJ:DR:cmc
Attachment: Resolution

AGENDA ITEM # **5**

A resolution authorizing the dissolution, winding up, and liquidation of LVVWD CI, LLC, a Nevada limited-liability company and pure captive insurer wholly owned by the Las Vegas Valley Water District, subject to the approval of the Nevada Commissioner of Insurance; authorizing the General Manager to take related actions; and providing other details in connection therewith.

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAS VEGAS VALLEY WATER DISTRICT AUTHORIZING THE DISSOLUTION OF LVVWD CI, LLC AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Las Vegas Valley Water District, Nevada (the "District") is a political subdivision of the State of Nevada, duly organized and operating under applicable law;

WHEREAS, the District is the sole member of LVVWD CI, LLC, a Nevada limited-liability company (the "Company"), which is licensed by the Nevada Commissioner of Insurance (the "Commissioner") as a pure captive insurer under Chapter 694C of Nevada Revised Statutes ("NRS");

WHEREAS, the Company was organized to provide captive insurance coverage and risk financing solutions for the District and its affiliated entities, including the funding and administration of programs addressing operational, liability, property, workers' compensation, cyber, and other insurable risks, while supporting claims management and risk mitigation efforts.

WHEREAS, the District has determined that it is no longer necessary or advantageous to maintain the Company and that the dissolution, winding up, and liquidation of the Company is in the best interest of the District;

WHEREAS, Section 11.1.1 of the Company's First Amended and Restated Operating Agreement (the "Operating Agreement") provides that the Company shall dissolve, wind up, and liquidate upon the vote of the member to do so, subject to the approval of the Commissioner; and

WHEREAS, the District wishes to authorize its General Manager, as the member's authorized signatory, to take the actions necessary to dissolve the Company.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LAS VEGAS VALLEY WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER:

SECTION 1. Short Title. This Resolution may be known and cited as the "LVVWD CI Dissolution Resolution."

SECTION 2. Delegation and Administrative Authority. As used in this Resolution, the term "General Manager" includes the General Manager's designee. The General Manager may, by written instrument, designate one or more officers or employees of the District

to exercise any authority granted to the General Manager under this Resolution. The District's Chief Financial Officer, acting in the Chief Financial Officer's capacity as Treasurer of the Company, is authorized to supervise and direct the dissolution, winding up, and liquidation of the Company. Under the direction of the Treasurer, the Director of the District's Risk Management Department is authorized to perform and coordinate the administrative, regulatory, financial, and other duties necessary or appropriate to carry out the dissolution, winding up, and liquidation of the Company. The General Manager, the Treasurer, and the managers and appropriate officers of the Company may authorize officers and employees of the District or the Company, and may engage and direct agents, consultants, and professional service providers, to assist in performing such duties, subject to applicable law, the Operating Agreement, applicable contracting and procurement requirements, and any required approval or direction of the Commissioner.

SECTION 3. Findings and Determination. The Board finds and determines that it is no longer necessary or advantageous for the District to maintain the Company and that the dissolution, winding up, and liquidation of the Company is in the best interest of the District.

SECTION 4. Approval of Dissolution. The Board authorizes and approves the dissolution, winding up, and liquidation of the Company, subject to the approval of the Commissioner as required by Section 11.1.1 of the Operating Agreement.

SECTION 5. Authority of the General Manager as Member's Signatory. The General Manager, as the member's authorized signatory, is authorized and directed to execute and deliver, on behalf of the District in its capacity as sole member of the Company, a written action of the sole member and any related instruments effecting the decision to dissolve, wind up, and liquidate the Company under Section 11.1.1 of the Operating Agreement.

SECTION 6. Regulatory and Winding-Up Actions. The General Manager and the managers and appropriate officers of the Company, including the Treasurer, acting directly or through the Director of the District's Risk Management Department and other officers, employees, agents, consultants, and professional service providers authorized under this Resolution, are authorized and directed to apply to the Commissioner for approval of the dissolution; make all required regulatory filings under Chapter 694C of NRS; surrender the Company's certificate of authority at the time approved or required by the Commissioner; oversee and carry out the dissolution, winding up, and liquidation of the Company in accordance with the Operating Agreement and applicable law; and prepare, execute, and file Articles of Dissolution with the Nevada Secretary of State at the time determined to be appropriate under applicable law and the approvals or directions of the Commissioner.

SECTION 7. Return of Assets to the District. After payment, discharge, or adequate provision for all debts, liabilities, claims, and expenses of the Company, the Company's remaining assets, including any remaining capital and surplus, shall be distributed to the District

as the Company's sole member in accordance with Section 11.2 of the Operating Agreement and applicable law.

SECTION 8. Ratification. All actions previously taken by the officers and staff of the District and the managers and appropriate officers of the Company in furtherance of the matters authorized by this Resolution are ratified, approved, and confirmed.

SECTION 9. Further Actions. The General Manager, the Treasurer, the managers and appropriate officers of the Company, and the Director of the District's Risk Management Department acting under the direction of the Treasurer are authorized to take all further actions and execute and deliver all further documents necessary or appropriate to carry out the intent of this Resolution. The foregoing authority includes the authority to obtain assistance from officers and employees of the District or the Company and to engage and direct agents, consultants, and professional service providers, subject to applicable law and District requirements.

SECTION 10. Repealer. All resolutions or parts of resolutions in conflict with this Resolution are repealed to the extent of such conflict.

SECTION 11. Severability. If any section, paragraph, clause, or provision of this Resolution is held invalid, such invalidity shall not affect the remaining provisions of this Resolution.

SECTION 12. Effective Date. This Resolution shall be effective upon its adoption, provided that the dissolution authorized by this Resolution shall be effective only upon, and to the extent of, the approval of the Commissioner.

The Las Vegas Valley Water District, a political subdivision of the State of Nevada, has caused this Resolution to be adopted by its Board of Directors.

Attest:

John J. Entsminger, General Manager Las Vegas Valley Water District	Marilyn K. Kirkpatrick, President Las Vegas Valley Water District

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM

November 3, 2026

Subject:
Business Impact Statement

Petitioner:
Colby N. Pellegrino, Deputy General Manager, Resources

Recommendations:
That the Board of Directors determine proposed changes to the District's Service Rules addressing the adoption of Assembly Bill 356 provisions, updates pertaining to property owner responsibility, revisions to certain fees and charges, requirements for new development, and other clarifying and non-substantive changes will not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business; consider and approve the attached Business Impact Statement; and direct staff to set a public hearing for December 1, 2026, for possible adoption of the proposed Service Rule changes.

Fiscal Impact:
None by approval of the above recommendation.

Background:
The District updates its Service Rules periodically to support regional conservation objectives, respond to changing regulatory requirements, and ensure consistency with current District practices. The proposed changes address water waste and non-functional turf, property owner responsibilities, rates and fees, meter requirements, and other operational practices.

Water Waste Fees

The District maintains water waste charges to encourage conservation and discourage inefficient water use, such as irrigating on the wrong day or leaks due to broken water pipes. If approved, the proposed Service Rules would consider all non-essential water uses as water waste and therefore subject to water waste fees. Non-essential water uses include, but are not limited to, water used for new water features, irrigating non-functional turf, and installing new spray irrigation. Accordingly, properties not used exclusively as a single-family residence that continue to water non-functional turf will be subject to applicable water waste fees. The proposed changes do not modify the established rates for water waste.

Property Owner Responsibility

Proposed changes also clarify property-owner and customer responsibilities, including allowing the District to revert a delinquent account, or an account with an unpaid balance, from the tenant's name to the property owner's name and, if necessary, assess liens for any unpaid balances. Similar action would also be allowed in the case of damage to, tampering with, or theft of District property.

Other Charges and Fees

Construction water rates would also change from the third-tier consumption rate to the highest-tier consumption rate, with hydrant meter permit fees and hydrant meter service charges increasing to more closely align with those assessed by other utilities. Certain fees for damage to District equipment would also increase to cover repair costs and deter such behavior.

AGENDA ITEM # **6**

Development Requirements

The proposed Service Rules also include changes to meter and development requirements. Mobile meters will be required to be read monthly to ensure timely billing, and all applicants will be required to purchase their meter, regardless of size, from the District. Residential subdivisions with common lots, including internal and perimeter landscape areas, would be required to be separately metered for irrigation. The proposed changes would also align Service Rules with local ordinances by limiting pool surface area for non-single family residential community pools and recreational facilities to 4 percent (4%) of the first ten (10) acres and four-tenths (0.4%) of the development area exceeding ten (10) acres, with an additional five square feet allowed per guest room for resort hotels.

Other Non-Substantive Changes

Lastly, additional changes would clarify water commitment, development, and administrative requirements to align with current District practices, as well as non-substantive revisions to improve the overall usability of the Service Rules.

On September 21, 2026, notice of the proposed changes was published in the Las Vegas Review-Journal and provided to more than 1,400 potentially impacted parties, in addition to local trade associations and labor organizations pursuant to the statutes set forth in NRS Chapter 237. The comments received as part of this notification, as well as anticipated impacts to businesses, were evaluated and are summarized within the accompanying Business Impact Statement (BIS).

Pursuant to NRS 238.080, two trade associations and a chamber of commerce requested a workshop to discuss the proposed Service Rules changes. The workshop was held at the District offices on October 22, 2026. Approximately 20 people were in attendance.

After evaluating the comments received during the public comment period, staff recommends the Board of Directors find that the proposed Service Rules changes will not present a direct or significant economic burden on businesses, or directly restrict the formation, operation or expansion of a business. Staff recommends that the Board approve the BIS and set a Public Hearing for Tuesday, December 1, 2026, at 9:00 a.m. at the Clark County Government Center, Commission Chambers, 500 S. Grand Central Parkway, Las Vegas, Nevada, to consider and adopt the proposed changes to the Service Rules.

This action is authorized pursuant to NRS 237.030 through 237.150 and Sections 9(1), 9.2, and 16 of the Las Vegas Valley Water District Act, Chapter 167, Statutes of Nevada 1947. The office of the General Counsel has reviewed and approved this agenda item.

JJE:CNP:KH:ta
Attachment: Business Impact Statement

BUSINESS IMPACT STATEMENT

Summary and review of potential business impacts due to proposed Service Rules changes.

EXECUTIVE SUMMARY

Nevada law requires that local governments develop a Business Impact Statement (BIS) to gather and evaluate financial information informing whether a proposed rule implementing, increasing or changing the basis for the calculation of charges or fees imposes a direct, significant economic burden on a business, or directly restricts the formation, operation or expansion of a business.

The Las Vegas Valley Water District (District) is proposing various updates to its Service Rules. Generally, and if approved, the proposed updates would:

- Include the irrigation of nonfunctional turf and any other prohibited water uses as forms of water waste, subject to existing water waste fees, beginning January 1, 2027
- Adjust construction water rates to encourage the efficient usage of construction water
- Clarify property owner responsibility for unpaid balances, damage to, and theft of District property by tenants
- Adjust fees to discourage the misuse of/tampering with District property
- Help ensure accurate and timely reads for mobile meters, and
- Improve overall document usability by clarifying terms and requirements, eliminating redundant language, and updating certain provisions to reflect current District practices

The following BIS was prepared pursuant to NRS 237.090 to address the potential impact of the proposed changes on businesses. To provide a clear and comprehensive review of the proposed changes and their potential effects on businesses, each of the statutory business impact requirements is addressed separately below. Certain sections (E, F, and H) include analysis of the proposed change(s) applicable to the requirement in that section.

THE BUSINESS IMPACT STATEMENT

A. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their responses, and an explanation of the manner in which other interested persons may obtain a copy of the summary.

Pursuant to NRS 237.080, the District published a public notice of the proposed changes to its Service Rules on its website and in the *Las Vegas Review-Journal* on September 21, 2026. Also on September 21, notices were sent to nearly 1,400 mailing addresses and 270 e-mail addresses, including chambers of commerce, trade organizations, property management companies and businesses that could be impacted by the proposed changes. Those wishing to submit comments were able to do so via mail and e-mail through October 26, 2026.

During the public comment period, 17 comments were received, nine of which were from businesses or their representatives. Their comments are summarized as follows:

- Insight Property, Inc expressed concerns regarding the reversion of accounts from tenants to property owners.

- KB Homes requested specific information on various non-substantive and administrative changes being proposed, mainly revolving around water commitments and the development review process.
- The Nevada Contractors Association expressed concern with the proposed changes to construction water rates and fees association with hydrants, citing that these fees will impact contractors who perform dust control, grading, compaction and other construction-related activities. They requested that the District consider the financial impacts of the proposed changes and appropriate transition considerations.

  Regarding proposed provisions to the water commitment process, the Nevada Contractors Association asked that the District consider impacts to existing project schedules and contracts, and requested appropriate flexibility for projects already underway to help minimize disruptions or unforeseen costs.
- The Southern Nevada Homebuilders Association stated that the proposed changes to construction water rates would result in a direct and significant economic burden to the homebuilding industry, particularly for medium and large-scale development projects that require significant amounts of water for grading, dust control, and other construction activities. They also emphasized that construction water consumption is necessary for dust abatement and compliance with applicable air quality regulations.

  They added that the proposed construction water rate change could also directly affect the ability of homebuilders to operate and expand their businesses by increasing the cost of developing residential projects.

  They requested that the District Board consider a delayed implementation and a phased approach of the proposed increase to minimize disruption to projects already planned under the existing rate structure and provide builders with a reasonable opportunity to incorporate the increased costs into future development decisions.
- MGM Resorts submitted clarifying questions surrounding certain water commitment provisions and conditions for water service for customers.
- Kaempfer Crowell, on behalf of a client planning a private recreational water park that will use privately owned groundwater rights, asked the District to specify that the limits placed on water parks do not apply to facilities supplied by private groundwater; confirm that where a recreational feature on a property is self-supplied, the District evaluates the water commitment for the domestic uses on the same property without regard to that feature; and make available the proposed service rules text prior to the December 1 Service Rules hearing.
- The Summerlin Council requested that clarifying language be added in various sections, specifically regarding termination of service on properties with unresolved leaks, water waste fees, and overseeding exemptions in community recreational turf area.

  They also requested a transition period for properties with a submitted or approved conversion application, with water waste fees waived or suspended while documented milestones are met; and definition of how a violation is counted.
- General Service Corporation provided public comment at the workshop and asked for clarification regarding the timelines and circumstances under which service terminations could occur.
- Guardian Realty submitted concerns regarding property managers' inability to access tenant account information to monitor payment balances. They also suggested that when a new tenant moves into a property that was previously reverted to the landlord's name, water should be allowed to be turned on in the new tenant's name. They also expressed concern that most residential leases do not contain the specific language required to allow landlords to collect utility bills in the owner's name, and that if this policy were enacted soon, many tenants could face eviction and loss of their housing vouchers.

These comments, in addition to comments received from residential customers, are provided in the appendix to this document.

To obtain a copy of this BIS document, including the summary of responses received, please e-mail jordan.bunker@lvvwd.com.

B. The total number of businesses likely to be affected by the proposed rule.

Because the proposed Service Rules changes are broad in scope and address various charges, fees and administrative revisions, it is difficult to determine the exact number of businesses that may be affected, but an estimated summary is below:

- In Southern Nevada, there are an estimated 300,000 rental properties in Southern Nevada whose owners may be affected by proposed language regarding owner responsibility related to delinquent accounts.
- There are nearly 400 businesses who perform construction and pay hydrant fees or construction water rates that will be affected by proposed changes to construction water fees and mobile meters.
- There are an estimated 1,400 properties with non-functional grass that could be subject to proposed water waste fees. It should be noted, however, that this number is projected to decrease as compliance with state law and Service Rules requirements increases.

C. A list of the chambers of commerce and trade associations notified of the proposed rule.

A list of commerce and trade associations that were notified of the proposed Service Rules changes can be found in Appendix I at the end of this document.

D. A summary of any workshop held pursuant to NRS 238.080.

Pursuant to NRS 238.080, the District received a request from two trade associations and a chamber of commerce to hold a workshop. On October 22, 2026, the District held a workshop to solicit comments on the proposed Service Rules changes. Approximately 20 members of the public attended.

District staff provided a detailed overview of and need for the proposed Service Rules changes. Attendees also had the opportunity to provide verbal public comment and fill out a public comment card regarding the potential impacts the proposed changes would have on their businesses. Those comments can be found in Appendix II at the end of his document.

E. The estimated economic effect of the proposed rule on the businesses which it is to regulate, including, without limitation: both adverse and beneficial effects, and both direct and indirect effects.

The proposed substantive changes, along with their estimated economic effects are individually addressed below:

Community Pools, Spas And Recreational Facilities

For new non-single family residential community pools and recreational facilities, pool surface area will be limited to four percent (4%) for the first ten (10) acres or less and four-tenths (0.4%) for the additional total development area that exceeds ten (10) acres. This change is to maintain consistency with other local ordinances. For resort hotels, an additional 5 square feet will be allowed for each guest room, also consistent with other local ordinances.

Adverse Effect(s): Existing community pools, spas and recreational facilities already fall within the proposed allowable pool surface area limits, so an immediate adverse effect is not anticipated. The only potentially adverse effect would be limiting future expansion.

Beneficial Effect(s): The proposed allowable pool surface area limits may discourage the construction of new, larger community pools, spas and recreational facilities, reducing competition for existing facilities.

Direct Effect(s): This proposed change would ensure that there is consistency between the District's Service Rules, Clark County Code, and City of Las Vegas Municipal Code.

Indirect Effect(s): No indirect effects have been identified at this time.

Water Parks

The combined surface area of water play areas within recreational water parks will be limited to eight percent (8%) for the first ten (10) acres or less, and eight-tenths (0.8%) for the additional total development area that

exceeds ten (10) acres. The total surface area for each water play area cannot exceed thirty thousand (30,000) square feet.

Adverse Effect(s): Existing community pools, spas and recreational facilities already fall within the proposed allowable pool surface area limits, nor do the adoption of these changes affect existing developed pools. The only potentially adverse effect would be limiting potential future expansion.

Beneficial Effect(s): The proposed allowable pool surface area limits may discourage the construction of new, larger community pools, spas and recreational facilities, reducing competition for existing facilities.

Direct Effect(s): The proposed change may limit any potential future expansion of an existing water park.

Indirect Effect(s): No indirect effects have been identified at this time.

Termination Of Service

Accounts can be terminated following notice for failure to repair ongoing leaks/malfunctions in a timely manner.

Adverse Effect(s): If water service to a business is shut off due to an unrepaired onsite leak or malfunction, that business would be without water and possibly unable to accommodate customer needs.

Beneficial Effect(s): Businesses that repair onsite leaks or malfunctions will avoid multiple high water bills and any disruption of water service.

Direct Effect(s): A business could be without water service until it fixes the onsite leak.

Indirect Effect(s): Having the water shut off may negatively impact business.

Property Owner Responsibility

Unpaid Balances and Delinquent Accounts

The proposed changes would allow the District to revert a delinquent account, or an account with an unpaid balance, from the tenant's name to the property owner's name and, if necessary, assess liens for any unpaid balances.

Damaging/Tampering/Theft of District Equipment

The proposed changes would also allow the District to revert an account from the tenant's name to the property owner's name in the case of damage to, tampering with, or theft of District property and also assess liens for any associated charges.

Adverse Effect(s): Property owners would be responsible for paying a tenant's water bill and any outstanding balances if an account is reverted from a tenant's name to the property owner's name.

Beneficial Effect(s): Property owners would be able to prevent a high outstanding balance and prevent the property from being liened if an account is reverted from a tenant's name to the property owner. Also, leaks may be addressed sooner.

Direct Effect(s): Reverting an account from a tenant's name to a property owner's name will reduce the number of accounts with outstanding balances and mitigate the number of properties liened due to lack of payment. This will ultimately reduce the number of past due accounts that ratepayers, including businesses, have to subsidize.

Indirect Effect(s): Property owners may have to update their rental lease agreement with tenants to ensure that they are able to recoup the cost of paying a tenant's water bill if an account gets reverted from a tenant's name to a property owner's name. Knowing that an account can be reverted from a tenant's name to a property owner's name may cause tenants to prioritize paying their water bill in full and on time to prevent a breach of their lease agreement. Reduced staff time spent addressing delinquent accounts and recouping unpaid water bills.

Metering Requirements for New Development

Residential subdivisions with identified common lots, including internal and perimeter landscape areas, would be required to be separately metered for irrigation.

Adverse Effect(s): The purchase of irrigation meters may result in additional up-front costs for developers.

Beneficial Effect(s): The installation of separate irrigation meters would allow the District to shut off the irrigation meter without impacting domestic service to the property in the event of a leak or water waste.

Direct Effect(s): The District would be able to more effectively reduce water waste and repair leaks without impacting service to residential and business customers.

Indirect Effect(s): No indirect effects have been identified at this time.

Construction Water Rates

Construction water rates will change from the third-tier consumption rate to the highest non-residential tier consumption rate.

Adverse Effect(s): Paying a higher tier could increase the cost of doing business.

Beneficial Effect(s): Construction companies would benefit from continued reliable access to water needed for dust control, compaction, landscaping and other construction activities.

Direct Effect(s): Costs could be passed through to developers or property owners.

Indirect Effect(s): Paying a higher water rate may encourage the use of water efficient technologies, potentially leading to long-term operational benefits.

Hydrant Meter Billing Schedule

Mobile meters will be required to be read monthly so that usage charges can still be collected in the event a meter is lost or damaged.

Adverse Effect(s): Requiring annual mobile meter reads negatively impacted the District's ability to charge for usage if a meter was lost or stolen, thus saving the customer money. By requiring monthly reads, the customer will be responsible for all usage, which may increase costs in some cases.

Beneficial Effect(s): With monthly meter reads, the customer's costs will be more closely aligned with their water consumption.

Direct Effect(s): Mobile meters would be required to be read monthly instead of annually, potentially increasing labor.

Indirect Effect(s): No indirect effects have been identified at this time.

Meter Purchasing

All applicants will be required to purchase their meter, regardless of size, from the District.

Adverse Effect(s): It is not anticipated that requiring applicants to purchase their meter from the District would have any adverse impacts.

Beneficial Effect(s): The District now carries all meter sizes, so applicants can purchase their meters from the same place, regardless of meter size.

Direct Effect(s): Purchasers can buy their meters from the same place, regardless of meter size, increasing efficiency and eliminating the need to travel to different locations to purchase different meter sizes.

Indirect Effect(s): No indirect effects have been identified at this time.

Conservation Restriction Language Revision

Language within the Service Rules has been revised to reflect the difference between drip irrigation and spray irrigation.

Adverse Effect(s): Businesses that spray irrigate outdoor vegetation on days outside of the assigned schedule for the property or drip irrigate outdoor vegetation in excess of the number of assigned days per week for the property may be subject to applicable water waste fees.

Beneficial Effect(s): A customer reading the Service Rules will be able to more clearly understand the watering group restrictions for drip and spray irrigation.

Direct Effect(s): Payment of water waste fees could reduce a business' profit margin.

Indirect Effect(s): By following watering group restrictions, or converting from spray to drip irrigation, long-term irrigation costs could be reduced.

Community Recreational Turf Areas (CURTA)

For parks with heavy water use, the District may grant one additional overseeding exemption per year.

Adverse Effect(s): Park operators who are granted the exemption would incur additional costs for water use, if they choose to overseed one additional time.

Beneficial Effect(s): By granting one additional overseeding exemption per year, operators of parks will have greater flexibility in maintaining turf areas.

Direct Effect(s): Parks that maintain their functional turf area provide safe and functional places to recreate and are an asset to the surrounding community.

Indirect Effect(s): Additional overseeding could help preserve existing grass and reduce the frequency of grass replacement or maintenance costs.

Water Waste Inclusions, Including Non-Functional Turf

All non-essential water uses, such as the operation of new water features, irrigation of non-functional turf, and installation of new spray irrigation will be treated as water waste violations and assessed water waste fees.

Adverse Effect(s): Businesses that continue to practice non-essential water uses, such as the irrigation of non-functional turf, will be subject to applicable water waste fees, which would increase costs and reduce profit margins.

Beneficial Effect(s): Water waste fees may encourage businesses to convert to water-efficient landscaping that could result in a long-term reduction in water bills.

Direct Effect(s): Costs would increase due to water waste fees.

Indirect Effect(s): The conservation-based charge should encourage businesses to comply with State law and local ordinances and thereby avoid higher rates that would otherwise arise from the community's need to acquire new, more expensive, water supplies.

Increased Fees for Tampering with or Damaging District Equipment

Because these charges and fees will only be assessed to those who illegally engage in tampering with or damaging District equipment, it is anticipated that most businesses will not be impacted. If they are, the following effects would be anticipated.

Adverse Effect(s): If a business is cited for tampering with or damaging District equipment, the fees assessed would negatively impact its operating costs.

Beneficial Effect(s): Businesses will be able to avoid charges and fees by not damaging District equipment.

Direct Effect(s): The charges and fees that would be assessed will serve as a deterrent, and potential negative economic effects of incurring those charges can be avoided.

Indirect Effect(s): A reduction in damaged equipment would be anticipated as a result of the proposed fees and charges, which could economically benefit businesses. As these incidents decrease, the community will benefit from more reliable water distribution and metering equipment.

Increased Fire Hydrant Permit Fees, the Fire Hydrant Meter Service Charge and Restoration of Service After Delinquent Shut-Off

Adverse Effect(s): Contractors, developers, and other entities that use hydrant meters may incur higher project costs, which could be passed on to customers or included in project budgets. Customers subject to a delinquent shut-off would incur additional costs to restore service.

Beneficial Effect(s): Businesses would pay fees more closely aligned with the cost of providing service.

Direct Effect(s): Hydrant users would be subject to higher fees and service charges. Customers requiring service restoration after a delinquent shut-off would pay a higher charge.

Indirect Effect(s): Increased fees may be passed through to developers, property owners, or other customers. The number of unused hydrant meters in service could decrease as businesses return them to avoid fees.

Meter Size Updates

5/8-inch meters are no longer issued as they do not meet current fireflow requirements; their application fees and facilities connection charges will be removed.

Adverse Effect(s): 5/8-inch meters have historically been the least expensive meter size available for purchase. If they are no longer available, customers would be forced to purchase a larger, more expensive meter.

Beneficial Effect(s): Larger meters provide a higher maximum flow rate to businesses as well as overall improved service during times of peak usage.

Direct Effect(s): Other than the increased cost for a larger meter size, no other direct effects have been identified at this time.

Indirect Effect(s): No indirect effects have been identified at this time.

Inclusion Of Ultrasonic Meters

Language will be revised to reflect the issuance of ultrasonic meters as opposed to positive displacement meters for new development.

Adverse Effect(s): No adverse effects have been identified at this time.

Beneficial Effect(s): Ultrasonic meters provide higher long-term accuracy and reliability than positive displacement meters, as well as advanced smart monitoring features, like immediate leak detection.

Direct Effect(s): Ultrasonic meters would provide a customer with precise flow measurement and immediate leak detection.

Indirect Effect(s): No indirect effects have been identified at this time.

Denial of Water Commitment if District Water Delivery Infrastructure is not in Place

A water commitment can be denied if all District infrastructure necessary to deliver water to a development is not completed and placed in service.

Adverse Effect(s): Developers may experience project delays if a water commitment is denied.

Beneficial Effect(s): Not issuing a water commitment until infrastructure is in place ensures adequate infrastructure is available and in service to serve a proposed development.

Direct Effect(s): Affected developers may be required to postpone a project until infrastructure installation is complete.

Indirect Effect(s): This may incentivize earlier coordination among developers and utility providers regarding infrastructure planning and construction.

Loss of Certificate of Occupancy
A water commitment may be terminated if the certificate of occupancy is revoked or rendered invalid.

Adverse Effect(s): Property owners, developers or businesses may lose an existing water commitment if a certificate of occupancy is revoked from the appropriate governing jurisdiction.

Beneficial Effect(s): This would help ensure that water commitments remain associated only with developments that maintain the approvals necessary for occupancy and operation.

Direct Effect(s): Affected property owners may need to resolve the issues causing the certificate of occupancy to be revoked or invalidated before seeking reinstatement or a new water commitment.

Indirect Effect(s): Property or business owners may feel encouraged to maintain compliance with applicable building, safety, and occupancy requirements.

Abandoned Service
The definition of abandoned service is being updated to include the cessation of use of an established service as well as an intent to relinquish use of an established service. Additionally, "abandoned service" will terminate a water commitment.

Adverse Effect(s): Property owners may lose an existing water commitment if a service is determined to be abandoned.

Beneficial Effect(s): Terminating water commitments associated with abandoned services may result in the improved management of available service capacity.

Direct Effect(s): Abandoning service will terminate a water commitment.

Indirect Effect(s): The termination of a water commitment may create additional costs or delays if a property owner later seeks to reestablish service or obtain a new commitment.

New Turf Installation
This update clarifies and aligns the Service Rules with local codes by providing that it will constitute a non-essential water use to irrigate turf that was installed either (i) at a time when doing so was impermissible under the rules of the applicable governmental authority, or (ii) after September 1, 2023.

Adverse Effect(s): New turf installed at a time when it was impermissible under the local code, or after September 1, 2023, would be considered water waste and the property owner would be subject to applicable water waste fees.

Beneficial Effect(s): The proposed update would help to clarify the rule for businesses.

Direct Effect(s): This would align the Service Rules with existing local codes.

Indirect Effect(s): No indirect effects have been identified at this time.

New Spray Irrigation
Similar to the New Turf Installation section above, this update would align with local code by providing that it will constitute a non-essential water use to use spray irrigation on non-turf landscape areas where the spray irrigation systems were installed either (i) at a time when doing so was impermissible under the rules of the applicable governmental authority, or (ii) after August 16, 2023.

Adverse Effect(s): New spray irrigation installed at a time when it was impermissible under the local code, or after August 16, 2023, would be considered water waste and the property owner would be subject to applicable water waste fees.

Beneficial Effect(s): The proposed update would help to clarify the rule for businesses.

Direct Effect(s): This update would align this provision with existing County and City Codes.

Indirect Effect(s): No indirect effects have been identified at this time.

Spray Irrigation in Converted Non-Functional Turf Areas
The revised Service Rules would add a new non-essential water use for spray irrigation in converted landscape areas where non-functional turf has been removed.

Adverse Effect(s): Owners of properties with spray irrigation installed in converted areas would be subject to water waste fees.

Beneficial Effect(s): The possibility of incurring water waste fees could incentivize the property owner to install a more water efficient irrigation system, which would increase watering efficiency and lower long-term watering costs.

Direct Effect(s): Water waste fees, if imposed, would increase business costs.

Indirect Effect(s): Costs incurred due to water waste fees could be passed on to customers.

Refunds of Prepaid Installation Fees
The proposed rules clarify how prepaid installation fees and deposits are handled when projects are cancelled. Clarifies that if the land underlying the project changes owners prior to an application to terminate the Water Commitment, the refund will be made to the current owner.

Adverse Effect(s): Developers and prior landowners will not be entitled to refunds of prepaid installation fees if the land underlying the project changes owners prior to an application to terminate the Water Commitment. In that case, the fees will be refunded to the current land owner.

Beneficial Effect(s): Current land owners, not developers or prior owners, will be able to receive a refund on prepaid installation fees when projects are cancelled.

Direct Effect(s): Current owners will be able to receive prepaid fees.

Indirect Effect(s): Current owners will be able to utilize refunded installation fees for other purposes.

Public Bidding of Major Projects
The updated Service Rules would add that the District will publicly bid major projects requiring NDEP permits and provide an exception in accordance with NRS Chapter 332 for projects in which the developer enters into an oversizing agreement and is entitled to reimbursement.

Adverse Effect(s): Public bidding requirements may increase project timelines.

Beneficial Effect(s): Bid competition supports reduced costs among ratepayers.

Direct Effect(s): Projects requiring NDEP permits would be subject to public bidding.

Indirect Effect(s): No indirect effects have been identified at this time.

No Waiver of Immunity
The proposed rules add language to disclaim any waiver of statutory immunities, qualify the District's duty to maintain its facilities, and disclaim the District's ongoing duty to inspect facilities.

Adverse Effect(s): Legal recourse will be limited for businesses that are looking to file a claim against the District.

Beneficial Effect(s): Businesses will know beforehand what legal recourse is available.

Direct Effect(s): The available legal recourse in filing a claim against the District is clarified.

Indirect Effect(s): Mitigating litigation can prevent the costs of goods and services provided by the District from increasing.

F. The following constitutes a description of the methods that the governing body of the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether the governing body or its designee actually used any of those methods.

Water Waste Inclusions, Including Non-Functional Turf
Since the time when Assembly Bill 356 was signed into law in 2021, the Southern Nevada Water Authority has made numerous, concerted efforts to directly notify non-single family residential customers with non-functional turf of the upcoming deadline. Those who remove their non-functional turf, whether they participate in the rebate program or not, will not be impacted by this rule change. The District will evaluate extending the date for which fees are assessed to allow ongoing conversions to be completed.

Construction Water Rates
During the public comment period, it was determined that the proposed change to construction water rates could result in an immediate increased cost to developers and companies who perform construction activities. As such, in addition to the solicitation of public comment, District staff met with construction representatives to discuss various implementation strategies.

Property Owner Responsibilities
During the public comment period, the District received feedback that additional time was needed for property managers to update tenant leases to protect themselves in the event of a delinquent water bill that resulted in an owner reversion. The District is proposing to extend the effective date of this rule by one year.

Termination of Water Service for Failure to Repair Ongoing Leaks in a Timely Manner
During the public comment period, the District received concerns from properties that are large, complex water systems (large community parks or resort-casinos) that often experience water leaks on properties and cannot risk water shutoff to business operations while they are working to address leaks. The District is proposing to reserve the right to terminate water service where customers are unresponsive to multiple attempts by the District to notify customers of the need to address the leak and where the leak is either a significant volume and/or of significant, ongoing duration. Customers will receive written notice and multiple contact attempts before termination is considered. Customers that communicate active efforts to resolve leaks will not experience a disruption in service unless exceptional leak volumes are observed.

Water Park Limits
The District received a comment about water parks and would like to clarify that the District's Service Rules do not apply to properties exclusively served by groundwater.

G. <u>The estimated cost to the local government for enforcement of the proposed rule:</u>

The proposed changes will not result in material administrative costs to enforce or implement.

H. <u>If the proposed rule provides a new fee or increases an existing fee, the total annual amount the local government expects to collect and the manner in which the money will be used is:</u>

Construction Water Rates
If the new proposed construction water rates were to be fully implemented in 2027, the money collected annually from construction water fees would increase by the amounts below:

- Developer Fees: $859,475.26 increase
- Mobile Meter Fees: $102,013.66 increase
- Hydrant Meter Fees: $1,866,586.60 increase
  (amounts are based on calendar year 2025 consumption)

Hydrant Meter Service Charge
By increasing the Service Charge for hydrant meters from $2 to $4, the District would collect an estimated additional $714,000 each year in hydrant fees. However, it should be noted that one of the objectives for this fee

increase is to encourage customers with unused hydrant meters to return them, in which case the amount of money collected would decrease.

Delinquent Turn-On (DTO) Fee Increase
The District would collect an estimated $88,640 annually as a result of increasing this fee.

Damage to District Equipment
The objective for the increase of these fees is to more closely align them with actual repair and administrative costs and discourage the mistreatment of District facilities. The annual amounts below reflect the total estimated fees that would be generated, based on the number of incidents that occurred in 2025:

- Damage to Simple Lock: $7,100
- Damage to Specialty Lock: $1,000
- Damage to Automated Meter Reading equipment: $750
- Damage to other equipment: $2,700

Water Waste Inclusions, Including Non-Functional Turf
This measure is proposed to encourage business customers to become compliant with Assembly Bill 356 requirements by removing non-functional turf on their properties. As affected properties become compliant, annual water waste fee collections are expected to decrease. Based on the current number of non-single family residential properties with non-functional turf, and customer response patterns to water waste fees in 2025 and 2026, the District estimates additional water waste fee collections of approximately $1.4 million.

I. If the proposed rule includes provisions that duplicate or are more stringent than federal, state, or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary:

The proposed changes are intended to facilitate compliance with existing legal requirements rather than create new or overlapping standards. For example, the proposed inclusion of irrigation of non-functional turf as water waste will support the District's implementation and enforcement of state law enacted through AB356. The other proposed rule changes are not more stringent than or duplicative of existing federal, state or local standards.

J. The reasons for the conclusions regarding the impact of the proposed rule on businesses

Because the proposed Service Rules changes are broad in scope and address a variety of fees, charges and administrative requirements, their impact will vary depending on the type of business affected. However, based on the comments received, staff recommend that the District Board determine that the proposed changes will not impose a direct and significant economic burden on businesses, and that they won't directly restrict formation, operation or expansion of a business.

The proposed water waste fee provisions may impose a recurring cost on businesses that choose to retain their non-functional turf. However, businesses that remove non-functional turf would avoid these fees entirely, eliminating the associated financial burden and decreasing their consumptive water use.

The proposed increase in construction water fees could have a significant impact on certain construction-related businesses. However, the development associations that provided public comment proposed alternative implementation strategies for transitioning from third tier to fourth tier water rates, which District staff is currently evaluating.

Most of the remaining proposed fee increases are intended to discourage vandalism, tampering, or other actions that damage District facilities and infrastructure. As a result, these changes are not expected to impose a significant economic burden on businesses that comply with the Service Rules and avoid the activities that would cause the fees to be incurred.

Next Steps

This BIS will be considered by the District's Board of Directors at its November 3, 2026 meeting, at which staff is also recommending that the Board set a public hearing for December 1, 2026 to consider adopting the proposed Service Rules changes, as required by NRS 237.090. The BIS is available for public review and comment prior to a final Board decision.

I certify that to the best of my knowledge or belief, the information contained in this statement was prepared properly and is accurate.



John J. Entsminger, General Manager

APPENDIX I

LIST OF CHAMBERS OF COMMERCE AND TRADE ASSOCIATIONS NOTIFIED OF THE PROPOSED RULE

Republic Services
AARP
SW Gas
Zappos
Local 720
City of Las Vegas
Urban Chamber of Commerce
City of North Las Vegas
NV Energy
Las Vegas Convention and Visitors Authority
PBS
RTC
Switch
Clark County
DRI
Regional Flood Control District
Howard Hughes Holdings
Clark County Water Reclamation
Asian Chamber of Commerce
Las Vegas Metro Chamber of Commerce
Painted Desert Community Association
American Society for Industrial Security
Southern NV Golf Association
Better Business Bureau of Southern NV, Inc.
Catapult Groups
Boulder City Chamber of Commerce
Latin Chamber of Commerce
Pinnacle Community Association
Ward 5 Chamber of Commerce
American Institute of Architects LV
Association of Gaming Equipment Manufacturers
BOMA International
Henderson Chamber of Commerce
Commercial Alliance Las Vegas
Sin City Chamber of Commerce
Women's Chamber of Commerce of NV
Commercial Real Estate Women of Las Vegas
Associated Builders & Contractors, So. NV Chapter
Nevada Self Storage Association (NVSSA)
Greater Las Vegas Association of Realtors
Institute of Real Estate Management
Western Regional Minority Supplier Development Council
Nevada State Apartment Association
Nevada Restaurant Association
Nevada Subcontractors Association
Southern Nevada Home Builders Association
Nevada Contractors Association
Retail Association of Nevada
NAIOP Southern Nevada
Nevada Resorts Association
Launchpad, by Henderson Chamber of Commerce
National Association of Women in Construction
Urban Land Institute
Air & Waste Management Association
Nevada Association of Land Surveyors
Nevada Landscape Association
Nevada Mining Association
Water Street District Business Association
Culinary Workers Union Local 226
Teamsters Local 631
Carpenters Local 1977
Unite Here Local 165
Electrical Workers Local 357
Teamsters Local 14
Plumbers Local 525
Electrical Workers Local 396
Sheet Metal, Air, Rail and Transportation Workers Local 88
Plasterers & Cement Masons Local 797
Lambda Chamber of Commerce
Nevada American Public Works Association
Rock Solid Solutions
Horrocks Engineering
Carrara Nevada
Community Associations Institute, Nevada Chapter
Nevada Professional Facility Manager Association
Commercial Real Estate Development Association (CREDA)

APPENDIX II
COMMENTS RECEIVED DURING PUBLISHED BUSINESS IMPACT STATEMENT COMMENT PERIOD

The following comments were received related to the proposed Service Rules changes.

KB Homes

In the notice of proposed changes to LVVWD Service Rules, there is a section titled "**SUMMARY OF OTHER CHANGES**" which lists Water Commitment, Development Review, Preliminary Review Process, Service Connection, Water Plan and Development Agreement, Construction Standards and Inspections, Charges, Fees, and Deposits, Water Facility Design Standards, etc.

May you please provide a document fully explaining and outlining the changes to the impacted Chapters?

Thank you!
Kayla Cassella
Forward Planning Administrator
KB Home
5795 W. Badura Ave, Suite 180
Las Vegas, NV 89118
702-266-8511
kcassella@kbhome.com

Southern Nevada Homebuilders Association

1. **Will the proposed rate changes impose a direct and significant economic burden upon your business? If you believe these changes will, please be specific as to why a particular charge imposes such a burden.**

The proposed construction water rate change would impose a direct and significant economic impact on the homebuilding industry by moving the construction water consumption rate from Tier 3 to the highest consumption tier, Tier 4. Based on the current rates provided by the Las Vegas Valley Water District (LVVWD), this would increase the consumption rate from $4.27 to $6.33, representing an increase of approximately 48%.

This increase would have a direct impact on the cost of residential construction, particularly for medium and large-scale development projects that require significant amounts of water for grading, dust control, and other construction activities. These costs are often incorporated into project budgets and development plans well in advance, making a substantial rate increase difficult for builders to absorb without affecting overall project costs.

For example, one SNHBA builder provided information from a current 151-lot subdivision. The project has two 3-inch Jones valves located at the project entrance and currently incurs nearly $11,000 per month in construction water charges. Under the proposed rate change, the builder estimates that the monthly bill would increase by approximately $4,326 for the consumption charge alone.

In addition to the proposed consumption rate increase, builders would also face additional costs associated with proposed increases to fire hydrant permit fees and meter service charges. One SNHBA member estimated that across 20 projects, these increases would result in approximately $2,200 in additional one-time permit fees and $2,240 in additional monthly meter service charges. These additional expenses further demonstrate the cumulative financial burden of the proposed changes on residential development.

SNHBA recognizes LVVWD's explanation that the construction water rate was originally established at the highest consumption tier in 2003 and remained at Tier 3 when a fourth tier was subsequently added. However, the proposed adjustment represents a significant increase for builders who have operated under the existing Tier 3 rate structure for more than two decades.

It is also important to recognize that a significant portion of construction water consumption is necessary for dust abatement and compliance with applicable air quality regulations. Unlike discretionary water use, builders have limited flexibility to reduce this consumption without potentially affecting air quality compliance. SNHBA encourages LVVWD to consider this distinction when evaluating whether the highest consumption tier is appropriate for construction water.

The homebuilding industry is currently navigating one of the most challenging times since the great recession. Elevated mortgage interest rates, rising construction and labor costs, increased development fees, and ongoing affordability challenges have placed significant financial pressures on both builders and prospective homebuyers. These challenges have made it increasingly difficult to deliver housing at attainable price points in Southern Nevada. Introducing a 48% increase in construction water consumption rates during an already challenging economic environment would place an additional financial burden on an industry working to address the region's housing needs. It is especially important that any additional costs imposed on residential development be implemented in a manner that allows builders adequate time to plan, adjust, and minimize the impact on housing affordability.

In recognition of these broader economic challenges and the cumulative financial pressures facing the industry, SNHBA respectfully urges the Board to delay implementation of the proposed construction water rate increase for 12 months following Board approval. Following this 12-month delay, SNHBA further requests that the Board consider a phased introduction of the new rates rather than implementing the full increase at once.

This approach would provide builders with a reasonable opportunity to adjust project budgets, account for increased costs in future development planning, and minimize financial disruptions to projects already underway, while still allowing LVVWD to achieve its intended rate structure.

2. Will the proposed rate changes directly restrict the formation, operation or expansion of your business? If you believe these changes will, please be specific as to how and why a particular charge imposes such a burden.

The proposed construction water rate change could directly affect the ability of homebuilders to operate and expand their businesses by increasing the cost of developing residential projects. While the proposed increase would not necessarily prevent a builder from operating, the additional costs could affect project budgets, development timelines, and the financial feasibility of future projects, especially for medium and large-scale developments with significant construction water needs.

Costs of this magnitude can have a meaningful impact on project budgets when considered alongside the numerous other fees, regulatory requirements, and construction costs associated with residential development.

Additionally, construction water expenses are not limited to the initial land development phase. Builder members have indicated that hydrant meters often remain in place throughout the construction and sale of homes within a community, sometimes for several years depending on the size of the development and pace

of home sales. Construction water is necessary not only for grading and initial site preparation but also for ongoing dust control throughout home construction. As a result, the proposed increases would create recurring expenses that affect project budgets throughout the development process, further limiting builders' ability to manage costs and plan for future projects.

As development costs continue to rise, builders must carefully evaluate the financial viability of new projects. Additional expenses of this nature could influence decisions regarding whether to pursue new developments, the number of homes that can feasibly be constructed, or the timing of future residential communities. These challenges could ultimately limit opportunities for business expansion, constrain the availability of new housing, and contribute to increased housing costs for future homebuyers throughout Southern Nevada.

For these reasons, SNHBA believes the proposed rate change could serve as a barrier to the expansion of residential development, with the greatest impact on projects with higher water consumption. SNHBA therefore requests that the Board consider a delayed implementation and a phased approach of the proposed increase to minimize disruption to projects already planned under the existing rate structure and provide builders with a reasonable opportunity to incorporate the increased costs into future development decisions.

MGM Resorts

Regarding the attached proposed amendments to LVVWD Service Rules, the following questions have been posed by our property operations teams:

- Regarding the provision *"Loss of Certificate of Occupancy"* that states *"A water commitment may be terminated if the certificate of occupancy is revoked or rendered invalid."*
    - If a resort hotel pool area were to undergo a major renovation of extended duration, could the Certificate of Occupancy be determined to be "rendered invalid", thereby providing a basis whereby the existing LVVWD water commitment to the resort hotel could be terminated?
- Regarding the provision *"Termination of Service"* that states *"Accounts can be terminated without notice for failure to repair ongoing leaks/malfunctions in a timely manner."*
    - How should operators interpret "timely manner" as it pertains to their obligation to repair ongoing leaks/malfunctions? Resort hotel properties at scale are complex operations and an operator's ability to identify, assess, and implement reparative action will depend on the type and extent of a leak or malfunction.
- Will a redline of the proposed LVVWD service rule amendments be available in redline form prior to adoption, such that operators may read the proposed amendments in tandem with existing LVVWD service rules to better understand their context and application?

Thank you in advance or any input or clarification you may be able to provide relative the above inquiries.

I am available to discuss in greater detail, if helpful.

Jason Gray

Vice President, Government Affairs
MGM Resorts International ®
ARIA Resort & Casino – Executive Office
3730 Las Vegas Blvd. S
Las Vegas, NV 89158
Office: (702) 692-6880
jasongray@mgmresorts.com

The Summerlin Council

The Summerlin Council manages more than 550 acres of parks, trails, and open space throughout the Summerlin community. We support responsible water conservation efforts and appreciate the opportunity to provide input on the proposed changes to the service rules, and their potential impact on our ability to maintain safe, functional, and well-maintained community assets. We respectfully request clarification and consideration of the following proposed changes:

1. Community Recreational Turf Areas (CURTA): overseeding exemptions
The notice states that "for parks with heavy water use, the District may grant one additional overseeding exemption per year". We are currently allowed one watering exemption per area, per calendar year. Our parks rarely need to overseed or replace turf across an entire site. Typical needs are targeted and separate: for example, repairing baseball fields before the spring season, and separately replacing sod in a main glade damaged by vandalism or invasive weeds. These are different areas with different needs, and they can arise at different times of year. A cap of two exemptions per park, (the second one being discretionary), would limit our ability to maintain safe, playable conditions.

We request clarification of the following:

- Confirm that sod replacement and spot repairs fall under the same exemption as overseeding
- Apply the exemptions per irrigation area or zone, not per park or account
- Define "parks with heavy water use" with objective criteria
- Replace "may grant" with a clear approval standard based on documented need

2. Termination of service for unrepaired leaks/malfunctions
The notice states that "accounts can be terminated without notice for failure to repair ongoing leaks/malfunctions in a timely manner." Many of our parks have aging irrigation systems and extensive tree root intrusion. Locating leaks, particularly continuous-flow conditions, can take significant time even when we act diligently.

We request clarification of the following:

- Define "timely manner" with a specific timeframe
- Clarify whether "ongoing leaks/malfunctions" includes continuous-flow conditions and what thresholds would trigger enforcement
- Provide documentation and written notice with a reasonable opportunity to cure before any termination for leak-related causes, since a shutoff can cause significant damage to existing turf and mature trees.
- Allow extensions when a customer is actively investigating, diagnosing or repairing a leak or continuous flow issue and can provide documentation of those efforts

3. Water waste fees for nonfunctional turf under conversion

The proposed fee schedule would apply to properties that continue irrigating non-functional turf beginning January 1, 2027. The Summerlin Council is actively working on completing all our turf conversions as quickly as our resources, contractor availability, and timelines allow. In the interim, we must continue watering turf in these areas to protect mature trees, which would be costly to replace and are valuable to the community. For organizations already investing heavily in turf conversion, escalating water waste fees impose a direct and significant economic burden, and they do so during the very period in which we are working to comply.

We respectfully request that the District:

- Consider a transition or "grace" period for properties with a submitted or approved conversion application, with fees waived or suspended while documented milestones are met.
- Define how a “violation” is counted (for example, per day, per billing cycle, per event) and confirm that fees will not stack while a conversion is underway.
- Provide written notice and an opportunity to cure before the first fee is assessed.

Brooke Pizzo I Park Operations Director
The Summerlin Council
702-341-5500 Main office I 702-360-1336 Direct

Guardian Realty

Danielle Gallant

Here is a list of concerns I have regarding the proposed updated policy regarding tenant delinquent bills.

1. Property Managers have not been allowed access to tenant account information in the past, which prevents us from monitoring payment history. We are not notified until the balance is very large and then we have 2 weeks to cure it. Since the tenants are typically lower income, coming up with $600 or $1000 in 2 weeks is impossible. We need a portal to monitor all the accounts in real time so that we can proactively work with the Water Department.

2. Forcing the water bill to be in the landlord's name in perpetuity is punitive. If we have a tenant who habitually goes into arrears and the bill is transferred into the owner's name, we will deal with it by evicting the tenant if they are in a lease or raising their rent quite exorbitantly if they are month-to-month. But once the tenant has moved out, the new tenant should be allowed to have water turned on in their name.

3. It's important to be aware that due to AB121, specific language is required in the lease agreement in order for landlords to collect utility bills in the owner's name. A majority of residential leases do not include such language because we rarely maintain utilities in the landlord's name. Should this policy be enacted, many Section 8 tenants will be evicted for a lease violation and lose their voucher because the landlord has no legal pathway to collect the utility bills and HUD guidelines require that tenants stay up to date with their utility payments. Particularly if this policy is enacted within the next 12 months because we will be unable to amend any leases until renewal period. Any Section 8 tenant affected by this policy will effectively be homeless. This has the potential to have a devastating impact on our entire community.

I hope this is helpful in planning a thoughtful and well laid out long term rollout of these new proposed policy changes that the Water District would like to enact.

General Services Corporation

Brenda Lovato

Verbal comment provided at 10/22 Workshop

Ms. Lovato spoke on behalf of General Services Corporation, a property management company that oversees several residential apartment communities. She expressed concerns about proposed provisions that could allow water service to be shut off due to leaks. She said that water service is considered an essential service under landlord-tenant laws and questioned how the proposed enforcement approach would be implemented in practice.

She asked for clarification regarding the timelines and circumstances under which service interruptions could occur. She also referenced challenges property owners have faced in complying with water conservation requirements, including the removal of landscaping and trees, and expressed concern about the broader impacts of water-use restrictions on residential properties.

NEVADA CONTRACTORS ASSOCIATION
ONE INDUSTRY. ONE VOICE.

October 26, 2026

Las Vegas Valley Water District
1001 S. Valley View Boulevard, M/S #760
Las Vegas, NV 89153
Attention: Jordan Bunker

RE: Comments on Proposed LVVWD Service Rule Changes

Dear Mr. Bunker:

On behalf of the Nevada Contractors Association (NCA), representing general contractors, subcontractors, and construction-related businesses throughout Southern Nevada, we appreciate the opportunity to provide comments on the Las Vegas Valley Water District's proposed Service Rule changes.

NCA recognizes the importance of responsible water management and conservation to support Southern Nevada's long-term sustainability and economic growth. As the District considers these changes, we respectfully offer the following considerations regarding potential impacts on the construction industry.

Construction Water Rates and Associated Fees

NCA encourages the District to consider the cumulative financial impacts of the proposed construction water rate and fee increases on public and private construction projects.

The proposed change from the third-tier consumption rate to the highest-tier consumption rate, combined with increases to fire hydrant permit fees and daily meter service charges, would increase the cost of construction water. These increases are particularly relevant to contractors performing activities such as dust control, grading, compaction, and concrete work, where water use is often necessary to meet construction and regulatory requirements.

As construction costs remain a significant consideration for project owners and contractors, these additional expenses may further increase the cost of delivering public infrastructure and private development. The impact is particularly relevant to projects already bid or under contract, where contractors may have limited ability to account for new costs.

NCA respectfully encourages the District to consider the cumulative financial impact of these changes and appropriate transition considerations for existing contractual commitments.

150 N. Durango Drive, Suite 100 Las Vegas, NV 89145 | Phone (702) 796-9986 | Fax (702) 796-1629 | www.nvcontractors.org

NEVADA CONTRACTORS ASSOCIATION
ONE INDUSTRY. ONE VOICE.

Water Commitments and Project Scheduling

NCA recognizes the importance of ensuring adequate water infrastructure is available to support new development. As the District updates provisions related to water commitments, development agreements, and construction completion deadlines, we encourage consideration of potential impacts on existing construction schedules and contractual obligations.

We respectfully encourage the District to consider appropriate flexibility for projects already approved or underway to help minimize potential disruptions and unforeseen costs.

NCA appreciates the District's continued efforts to promote responsible water management while supporting Southern Nevada's infrastructure and economic development needs. We value our working relationship with the District and appreciate the opportunity to provide the construction industry's perspective as these proposed changes move forward.

Sincerely,

Ann Barnett
Chief Executive Officer
Nevada Contractors Association

150 N. Durango Drive, Suite 100 Las Vegas, NV 89145 | Phone (702) 796-9986 | Fax (702) 796-1629 | www.nvcontractors.org

Kaempfer Crowell

Anthony Celeste

October 26, 2026
Las Vegas Valley Water District, 1001 S. Valley View Boulevard, M/S #760
Las Vegas, NV 89153
Attention: Jordan Bunker · by email to LVVWD-BIS@lvvwd.com

RE: RESPONSE TO THE NOTICE OF PROPOSED CHANGES TO SERVICE RULES (NRS 237.030 TO 237.150), "WATER PARKS" AND RELATED PROVISIONS

This firm represents a client planning to develop a private recreational water park in Clark County. The total water surface would exceed 30,000 square feet. The project also includes residences and a clubhouse. The client has not selected a site and holds no District account. It intends to supply the recreational water park exclusively with privately owned groundwater rights under a permit from the State Engineer, not from District water. The residences and clubhouse would be ordinary District customers.

The notice proposes that "the combined surface area of water play areas within recreational water parks will be limited to eight percent (8%) for the first ten (10) acres and less and eight-tenths (0.8%) for the additional total development area that exceeds ten (10) acres," and that "the total surface area for each water play area cannot exceed thirty thousand (30,000) square feet." The notice does not say whether these limits apply only to facilities the District serves. The current Service Rules answer that question in two places: Section 3.10 limits non-essential uses "unless the Customer proves an alternative source of water sufficient to negate the non-essential use," and Section 3.10(f)(2) excepts "water features supplied exclusively by privately-owned water rights." The notice is silent on whether the 2027 Rules keep that structure.

To the two questions the notice asks:

1. If the Water Parks limits apply to facilities served with District water, consistent with Section 3.10 as it reads today, the client's facility is outside them and the client has no objection to the proposal.

2. If the limits were read to reach a facility that uses no District water, they would prohibit the client's facility outright, because a surf pool is by its nature a single body of water larger than 30,000 square feet. That reading would directly restrict the formation of the client's business. The uncertainty itself is a burden today: Clark County Code Section 30.04.10 sizes recreational water parks "pursuant to water purveyor regulations," so a District rule that is silent on source may be applied by the County to a facility the District does not serve. The client is making land, design and financing decisions now against that uncertainty.

The client therefore asks the District to:

a. State in the 2027 Service Rules, or in the Business Impact Statement, that the water parks limits apply to Recreational Water Parks served with District water and do not apply to a facility supplied exclusively by privately owned water rights under a State Engineer permit, consistent with Section 3.10's alternative-source clause and Section 3.10(f)(2), regardless of total water surface square footage.

b. Confirm that where a recreational feature on a property is self-supplied, the District evaluates the water commitment for the domestic uses on the same property without regard to that feature, subject to the Supplemental Service Connection and backflow requirements in Definitions 127 and 128.

c. Make available the accompanying document and the full proposed text, including the clarified "groundwater and water rights transfer provisions" in Chapter 2, and permit the client to supplement this response before the December 1, 2026 hearing.

The client supports the District's conservation program. Its recreational water park would use no District water, and the project's District-served uses would comply with the Rules as proposed.

Insight Property, Inc

Ronica Hahn

You're making homeowners do your job.

You provide a service to an individual. The account is in their name. They're using the water. Then they don't pay the bill. But instead of dealing with that individual that you gave the account to, you just put it back on the owner.

At this point, I would not be surprised that you're making millions of dollars in penalties and providing less services.

The entire water department needs to be audited and investigated.

- Ronica Hahn
  Insight Property, Inc

Rober Kasper

Resident

Verbal and written comment provided at 10/22 Workshop

Mr. Kasper spoke about the homeowners association he lives in and expressed concerns about how the proposed changes and rate increases could affect HOAs and the residents who ultimately bear those costs through fees. He appreciated the discussion regarding separately metering common areas for irrigation because inconsistent metering practices have been a source of concern for some residents.

He questioned the need for additional surcharges and emphasized the importance of ensuring that the proposed changes do not create additional financial burdens for residents living in HOAs. Mr. Kasper emphasized that, although the proposed changes focus on businesses, the financial impact is ultimately borne by residents. He urged the District to carefully consider the effects on residents and encouraged further discussion to resolve concerns.

Laura McSwain

Resident/Water Fairness Coalition
Verbal comment provided at 10/22 Workshop

Ms. McSwain expressed concerns about the public outreach and review process associated with the proposed Service Rules changes. She said that the workshop was scheduled with insufficient time for meaningful public participation and that the proposed Service Rules language was not available for public review. She questioned the financial justification for the proposed changes, citing the District's financial condition and reserves.

She said that the AB356 legislation did not expressly establish new penalties for noncompliance, delegate additional penalty-setting authority to the District, or require changes related to irrigation. She added that the District had several years to address the legislation and pursue any statutory clarifications.

She requested publication of the proposed Service Rules language, justification for each proposed change, demonstration of the District's authority and financial need, broader notification to all affected stakeholders, and additional time for public review. She expressed concern about the lack of transparency and argued that residential ratepayers are not receiving the same opportunities for input as businesses despite being directly affected.

Julie Wignall

Resident
Verbal comment provided at 10/22 Workshop

Ms. Wignall expressed concerns about the process used to solicit input on the proposed Service Rules changes. She criticized the decision to hold a business impact workshop during normal working hours, arguing that it limited the ability of many affected individuals and business representatives to participate.

She said that the Business Impact Statement affects residents as well as businesses because increased costs imposed on businesses are ultimately passed on to consumers. She urged decision makers to recognize the broader impacts that business-related costs can have on the public.

Ms. Wignall also suggested that the word "conservation" should be more clearly defined and used specifically in reference to water conservation efforts. She encouraged the District to reconsider its approach and revisit the proposed changes from the beginning, with greater consideration of the implications for residents.

Diane Henry

Resident/Water Fairness Coalition
Verbal comment provided at 10/22 Workshop

Ms. Henry expressed concerns that the proposed Service Rules changes would have a direct impact on residential customers, not just businesses. She stated that residents should have the opportunity to review

and comment on the actual proposed language changes. She questioned how informed public input could be provided when the proposed language would not be released until prior to the Service Rules hearing.

Ms. Henry questioned the authority to establish new penalties related to compliance with AB356, stating that the legislation did not specifically authorize the creation of additional penalties. She raised concerns about the classification of irrigation of nonfunctional turf as water waste, given ongoing litigation regarding the definition of nonfunctional turf.

She requested clarification regarding provisions related to water features and other non-essential water uses, noting that those terms lack clear definitions in the existing Service Rules. She expressed concern about potential enforcement challenges and the possibility of penalties being applied to everyday residential water uses without sufficient clarity in the proposed rules.

Elva Anderson

Resident
Verbal comment provided at 10/22 Workshop

Ms. Anderson expressed concerns about how the proposed Service Rules changes may affect residents who use swamp coolers to cool their homes. She explained that her cooling system requires water use during the summer and stated that she has previously received notifications indicating a possible water leak when the increased water usage was the result of normal operation of her swamp cooler. She emphasized the importance of being able to maintain a safe and comfortable living environment during hot weather and requested consideration for residents whose water use is associated with essential cooling needs.

Yvette Williams

Resident
Verbal comment provided at 10/22 Workshop

Ms. Williams asked how the proposed Service Rules changes would apply to businesses that operate from residential properties. She asked whether personal residential amenities, such as a backyard swimming pool used for recreation, could be treated differently because a business operates from the home. She expressed concern about the potential for future changes to expand impacts on residential accounts and expressed concern about what she perceives as a pattern of continually changing rules and requirements by the District.

David Anderson

Resident
Verbal comment provided at 10/22 Workshop

Mr. Anderson raised concerns about a proposed service rule that would allow the District to terminate water service following notice for failure to repair leaks. He noted that associations may receive recurring notices related to landscaping irrigation even when watering practices are appropriate and necessary to maintain landscaped areas.

He expressed concern that the proposed service termination policy could create challenges for associations that are actively addressing landscaping and irrigation issues. He requested clarification regarding how the

rule would be applied in situations where landscaping maintenance is ongoing and compliance efforts are being made, and whether service termination could occur despite reasonable efforts to address identified concerns.

Stephanie Steffen

Resident
Verbal comment provided at 10/22 Workshop

Ms. Steffen expressed concerns about the financial and community impacts of turf removal requirements and related water conservation policies. She stated that businesses and property owners have incurred substantial costs replacing landscaping and mature trees following turf removal projects. She said that mature trees have died after turf was removed and that replacing large trees can be costly and disruptive to existing landscaping.

She described the impacts on her community, including the removal of mature streetscape trees and increasing homeowners association fees that residents attribute to the costs of complying with water conservation requirements.

She stated that residents are concerned about the continued expansion of conservation requirements and believe some assurances previously provided regarding the preservation of certain landscaped areas have not aligned with current outcomes. She urged the District to give more consideration to resident input, community quality of life, neighborhood landscaping, and the long-term impacts of water conservation policies on businesses and residents.

LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM

November 3, 2026

Subject:
Annual Comprehensive Financial Report

Petitioner:
Paul Johnson, Chief Financial Officer

Recommendations:
That the Board of Directors accept the Las Vegas Valley Water District's Annual Comprehensive Financial Report, including the corresponding Independent Auditors' Report on Financial Statements and Other Supplementary Information for the Fiscal Year ended June 30, 2026, and authorize its submission to the Nevada Department of Taxation.

Fiscal Impact:
None by approval of the above recommendation.

Background:
The District prepared an Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2026. This report contains the District's financial statements and the related notes to the financial statements, which were audited by the District's independent auditor, Baker Tilly US, LLP, who then prepared an Independent Auditor's Report on Financial Statements that is included within the report. The ACFR is also comprised of Other Supplementary Information as required by the Nevada Department of Taxation.

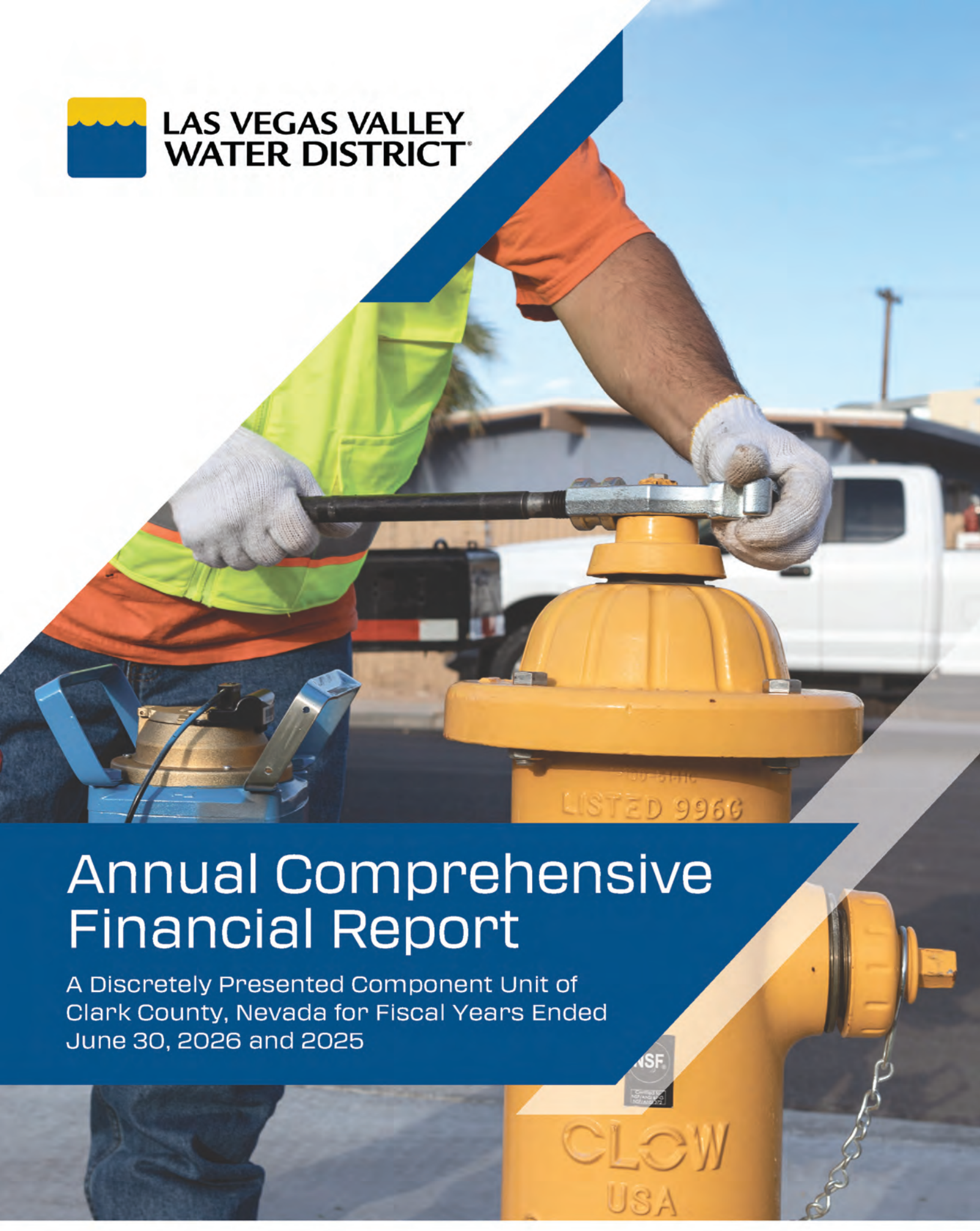
The District's ACFR, containing the Independent Auditor's Report on Financial Statements and the Other Supplementary Information, which was submitted to the Board of Directors within the 30 days preceding this meeting, is now presented to the Board of Directors for approval, as required by Nevada Revised Statutes (NRS) 354.624(6). Upon acceptance, the AFCR will be submitted to the Nevada Department of Taxation in accordance with NRS 354.624(6) and applicable State of Nevada regulations.

This action is authorized pursuant to NRS 354.624. The office of the General Counsel has reviewed and approved this agenda item.

JJE:PJ:MSH:ET:kn
Attachment: LVVWD Annual Comprehensive Financial Report

AGENDA ITEM # 7

LAS VEGAS VALLEY WATER DISTRICT®



Annual Comprehensive Financial Report

A Discretely Presented Component Unit of Clark County, Nevada for Fiscal Years Ended June 30, 2026 and 2025

On the Cover

The Las Vegas Valley Water District's (LVVWD) water system is a vast and highly engineered network of pipelines, pumping stations, reservoirs and wells that work together to deliver safe, reliable drinking water to more than 1.7 million people in the City of Las Vegas and Incorporated Clark County.

The water system consists of more than 7,000 miles of underground pipelines and laterals, 55 pumping stations and a water storage capacity of nearly 1 billion gallons. The LVVWD leverages proactive maintenance, advanced monitoring technology and continual infrastructure investment to ensure long-term water system reliability.



LAS VEGAS VALLEY WATER DISTRICT®

Annual Comprehensive Financial Report
A Discretely Presented Component Unit of Clark County, Nevada

Fiscal Years Ended June 30, 2026 and 2025

John J. Entsminger
General Manager

Paul Johnson
Chief Financial Officer

Mariliese S. Horsewood
Director of Finance/Controller

Prepared by the Accounting Division of the Finance Department
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Introductory Section (Unaudited)

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- Letter of Transmittal
- List of Principal Officials
- Map of Service Area
- Organizational Chart
- Certificate of Achievement for Excellence in Financial Reporting

LAS VEGAS VALLEY WATER DISTRICT®

LAS VEGAS VALLEY WATER DISTRICT
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LAS VEGAS VALLEY WATER DISTRICT
1001 South Valley View Boulevard
Las Vegas, NV 89153
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October 7, 2026

To the Board of Directors
and customers:

We are pleased to present the Las Vegas Valley Water District's (District) Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended June 30, 2026. The Annual Report was prepared in conformance with accounting principles generally accepted in the United States (GAAP).

District management is responsible for the completeness and reliability of the financial information presented in this report. To provide reasonable assurance of the proper recording of transactions, management has established and maintains a system of internal accounting and other controls. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits derived. Where necessary, the basic financial statements include amounts based upon management's best estimates and judgments.

Nevada Revised Statute (NRS) 354.624 and bond covenants require an annual audit of the basic financial statements of the District. Baker Tilly US, LLP has audited the District's basic financial statements as of, and for, the fiscal years ended June 30, 2026 and 2025. The objective of the independent audit was to provide reasonable assurance that the basic financial statements of the District for the fiscal years ended June 30, 2026 and 2025 are free of material misstatement. An independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based on the audit, the independent auditor concluded there was a reasonable basis for rendering an unmodified ("clean") opinion that the District's basic financial statements for the fiscal years ended June 30, 2026 and 2025 are fairly presented in all material respects in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE DISTRICT

The District is a governmental subdivision of the State of Nevada and a quasi-municipal corporation created by a special act of the Nevada Legislature in 1947. The District was established to acquire and distribute water primarily in the Las Vegas Valley, which includes the unincorporated metropolitan area of Clark County and the City of Las Vegas. The District commenced operations on July 1, 1954.

The District is governed by a seven-member Board of Directors (Board) comprised of the elected Clark County Commissioners. The Board has the sole authority to set rates and charges for water. Such rates and charges must be reasonable and cannot be applied until after a public hearing and subsequent Board approval. The enabling legislation that created the District, in conjunction with various bond covenants, require that rates and charges be sufficient to provide for operation and maintenance costs, general expenses of the District and debt service payments. Daily operations of the District are directed by a general manager appointed by the Board and three deputy general managers. The District's vision is "To be a global leader in service, innovation and stewardship" and its mission is to "Provide world class water service in a sustainable, adaptive and responsible manner to our customers through reliable, cost effective systems." The Board has adopted a series of strategic goals to support the District's vision and mission.

Beginning in September 2008, the District was appointed to be the operating agent for the Big Bend Water District (BBWD). Prior to the appointment, BBWD's operating agent was the Clark County Water Reclamation District. The BBWD was established in 1983 under the provisions of Chapter 318 of the NRS for the purpose of obtaining and distributing water in Laughlin, Nevada. The Clark County Board of Commissioners serves as the BBWD Board of Trustees.

The District also functions as the operating agent for the Southern Nevada Water Authority (SNWA). The SNWA is a joint powers authority created in 1991 to address Southern Nevada's unique water needs on a regional basis. The SNWA is charged with acquiring and managing current and future resources, constructing and managing regional water facilities, and promoting water conservation. The District is one of the SNWA's seven member agencies. In 1996, the SNWA assumed all assets and liabilities of the Southern Nevada Water System (SNWS) from the Colorado River Commission of Nevada (CRC). Originally financed and constructed by the State of Nevada with assistance from the Federal Government, the SNWS is used to treat and convey Colorado River water from Lake Mead to the Las Vegas Valley. The District operates the SNWS on behalf of the SNWA as it did previously for the CRC. For additional information on the District's relationship to the SNWS and the SNWA, see Note 12.

As required by Nevada law, the District's budget is approved annually by its Board following a public hearing, and a copy of the budget is submitted to the Nevada Department of Taxation. Budgetary controls are established at the levels of total estimated operating and nonoperating expenditures, including capital expenditures.

The budget provides the fiscal plan for District expenditures at various levels. These levels include departments and divisions. Most disbursements are made through the issuance of purchase orders. Purchases of vehicles are administered by the District's Environmental, Health, Safety, and Corporate Security Department and Fleet Division; communication, software, and computer equipment purchases are administered under the authority of the Enterprise Technology Department; and new positions are controlled by the Human Resources Department. The Finance Department prepares and distributes monthly budget variance reports, and division managers are accountable for variances between the budgeted and actual expenditures.

The District's financial report is included as a discretely (separately) presented component unit within Clark County's Annual Comprehensive Financial Report. The District does not function as an integral part of Clark County's government, but the exclusion of the District's financial statements would render the financial statements of Clark County incomplete.

LVVWD CI, Inc. (LVVWD CI) was established as of January 1, 2022 to act as a captive insurance company for the District and is a blended component unit because LVVWD CI exclusively benefits the District and District management has operational responsibility for this component unit. LVVWD CI was formed to advance long-term risk management program strategies through the use of a formalized self-insurance program that can access the reinsurance markets. LVVWD CI provides retention for worker's compensation, general/auto liability, public officials liability, cyber liability, employment practices, and property.

The District's organizational structure has evolved to meet the demands of major water facility expansions, conservation, customer service initiatives, and special projects. The District's departments and divisions routinely assess existing structure to provide more efficiencies and better customer service experiences.

For over 70 years, the District's customers have enjoyed one of the nation's most reliable municipal water systems. During that time, the District has developed from a system serving a population of approximately 25,000 exclusively with groundwater to a 300-square-mile water delivery network providing Colorado River water to the vast majority of its 441,000 customer accounts.

The District operates and maintains a complex water distribution system that connects homes and businesses to the community's water supply. Key components of the water system include:

- 7,352 miles of transmission, distribution, and service lines
- 44 reservoir basins that collectively hold nearly one billion gallons of water
- 55 pump stations with the capacity to move more than 1.25 million gallons of water per minute
- 59 production wells

These components are critical to ensure that the LVVWD's customers always have reliable access to water.

Although much of the District's water system is relatively new, various components are more than 50 years old and reaching the end of their useful lives. Approved in 2017, the District's Capital Improvement Plan (CIP) sets forth the capital investments needed to maintain a reliable water supply and meet water quality standards. The plan anticipates expending $616 million dollars over a 10-year period, with more than half of those dollars needed for asset management activities and maintaining existing system infrastructure. These activities include reservoir and pumping station maintenance, replacement and renewal of vaults and valves, service lateral replacements, and cyclical water meter replacement.

The CIP was informed by recommendations made by a citizens committee convened in 2016 to evaluate the District's current practices, levels of asset maintenance and repairs, and future facility needs. The committee was comprised of stakeholders representing a variety of community interests, including business, finance, resorts, ratepayers, and environmental. Together, they met to evaluate the issues affecting the District and made a series of recommendations related to asset management levels, future facilities, water quality issues, and a funding plan to support implementation of their recommendations. Ultimately, their recommendations were subsequently approved by the District's Board, which set forth development of the CIP and a sustainable water rate increase. The CIP, informed by the committee's recommendations, focused on three major efforts: asset management, water quality protection, and new facilities.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy – Economic conditions in Southern Nevada present a mixed but generally positive outlook. Population, employment, and visitor volume are expected to continue growing through 2026, although the pace of growth is projected to be moderate in 2027. While forecasts anticipate declines in gaming revenue, current economic data suggest the local economy remains resilient, supported by improving labor market conditions, increased visitor activity, and strong consumer spending.

Economic Forecast (CBER Outlook Report, November 2025)

The University of Nevada, Las Vegas Center for Business and Economic Research (CBER) projects the following trends for Southern Nevada:

- Population growth of 1.5 percent in 2026 and 1.4 percent in 2027.
- Employment growth of 1.3 percent in 2026 and 0.1 percent in 2027.
- Visitor volume growth of 2.4 percent in 2026, followed by a slight decline of 0.2 percent in 2027.
- Gross gaming revenue declines of 3.0 percent in 2026 and 1.9 percent in 2027.

Current Economic Indicators

Recent data indicate that many areas of the Clark County economy are continuing to strengthen in 2026:

- The unemployment rate declined from 5.8 percent in June 2025 to 5.2 percent in June 2026.
- Visitor volume reached 3.5 million in May 2026, an increase of nearly 70,000 visitors compared with May 2025.
- Clark County gaming revenues averaged nearly $1.2 billion per month during March, April, and May 2026, approximately $100 million more per month than during the same period in 2025.
- Convention attendance averaged 635,100 visitors during the first five months of 2026, slightly exceeding the same period in 2025.

- Taxable sales reached $5.8 billion in May 2026, an increase of 6.7 percent compared with May 2025.

Several factors could influence the economic outlook over the next two years. Although inflation has moderated from elevated levels experienced in recent years, higher prices continue to affect consumer purchasing power and discretionary spending. Interest rates remain above pre-pandemic levels, which may continue to constrain borrowing and investment despite expectations for additional rate reductions. Global tariffs could increase costs for businesses and consumers, particularly in the retail and hospitality sectors, placing upward pressure on prices. In addition, geopolitical instability, including the ongoing Russia-Ukraine conflict and tensions involving Iran and the broader Middle East, could contribute to volatility in energy markets, supply chains, and broader economic conditions. Despite these risks, current indicators suggest Southern Nevada's economy remains on stable footing heading into 2027.

Long-Term Financial Planning – The District is consistently engaged in proactive, long-term financial planning to identify future infrastructure needs and ensure rate adjustments remain predictable and controlled. The District's long-term financial plan is structured to maintain financial sustainability by providing adequate funding for operations and maintenance, capital improvements, debt service requirements, and strategic reserves. Funding is derived from a combination of operating revenues, unrestricted cash and investments, and debt financing, as appropriate.

The District regards its reserves as a critical component of its fiscal health and one of the most important metrics supporting an investment grade credit rating of AA+ and Aa1 from S&P Global Ratings and Moody's Ratings, respectively. Reserves are monitored regularly and unexpected decreases are managed through a combination of methods. Departments are required to practice careful management of financial resources. Customer fees and charges are adjusted to maintain required debt service coverage and sufficient working capital. Reserves are used sparingly. When used, the reserves are compared to long-range projections of reserve levels, and modifications to revenue and expense streams are made as needed.

In January 2016, the District's Board approved a reserve policy to provide guidance for maintaining adequate cash and investment reserves. Maintaining adequate reserves is an important tool in mitigating the risks of significant and unexpected decreases in sources of funds and/or increases in the uses of funds. Maintaining adequate reserves helps to ensure stable services and fees and allows the District to better respond to unforeseen negative changes in the local economy while providing a continuous and reliable water supply. In addition, prudent reserves, along with a formal reserve policy, are key factors rating agencies consider in their evaluation of creditworthiness.

As discussed earlier, a citizens committee was appointed with the purpose of evaluating issues affecting the District and making recommendations to inform the organization's long-term operations and revenues. Their recommendations included increases to tier consumption rates and service charges that aligned with inflationary indexes into the future that will help fund the District's operating and capital needs over the remaining planning horizon of the 10-year CIP and meet the reserve targets set forth in the Board-adopted Reserve Policy.

The District also collects from its customers several fees and charges which are remitted to the SNWA. For more information, see Note 12. Revenues generated from these SNWA charges help to fund debt service on SNWA bond obligations and future regional infrastructure.

Relevant Financial Policies – The District's financial policy is to charge reasonable rates, fees, and other charges sufficient to pay for water service, the costs of operation and maintenance of its facilities, the general expenses of the District, necessary capital expenditures, and principal and interest on all bonds and other obligations of the District. It is also District policy to establish rates and charges sufficient to maintain a debt service coverage ratio in accordance with its bond covenants. Further, the District keeps proper books of records and accounts in accordance with sound accounting practice; complete and correct entries are made of its works, properties, and the revenues received.

Major Initiatives – The District consistently evaluates opportunities to conserve water, improve water system reliability, and increase efficiencies, performance and customer service through various efforts. The following were major initiatives for fiscal year 2025-2026:

Highlights

- The District continues aligning its operations, communications, and service rules with regional conservation efforts in response to ongoing Colorado River drought conditions.
- The District continues capital improvements to renew aging infrastructure, expand system capacity, and maintain long-term service reliability.

Water Resources and Conservation

- **Conservation**: The District continues expanding conservation programs, leak assistance initiatives, landscape conversion incentives, and efficiency rebates to reduce community water use and support long-term sustainability.
- **Water Use Compliance**: The District strengthened water waste enforcement and public reporting efforts in 2025, completing more than 41,000 investigations and increasing compliance with conservation requirements.

LVVWD Operations

- **New Service Points:** The District added 4,479 new service connections in 2025, reflecting continued growth throughout the Las Vegas Valley.
- **Capital Improvements and Asset Management:** The District has invested more than $814 million in infrastructure improvements and is planning the next decade of capital investments to address aging assets and sustain service reliability.
- **Water Quality Report:** The District performed nearly 301,000 water quality analyses in 2025 and continued to meet or exceed Safe Drinking Water Act standards through advanced treatment and continuous monitoring.
- **Leak Detection:** The District's metering analytics identified leaks for more than 30,000 customers while expanded assistance programs helped reduce repair costs and water loss.
- **Small Meter Operations:** Staff completed nearly 85,000 field activities in 2025 while maintaining metering infrastructure and providing around-the-clock operational support.
- **Meter Changeout Program:** The District launched a structured replacement program to cycle out more than 400,000 meters over 15 years as part of its reinvestment in improving existing infrastructure.

Springs Preserve

- The Springs Preserve welcomed more than 270,000 visitors while expanding conservation education, community events, habitat restoration, and cultural preservation programs.
- The Springs Preserve consulted with members of Southern Nevada's Paiute groups to establish the Nuwu Pahsats garden to preserve the language and culture of the Southern Nevada Paiutes.

Capital Improvements

The following major capital improvement projects are either currently under construction or set to begin this fiscal year:

- **Las Vegas Boulevard Improvements:** This is a multi-phase pipeline replacement project along Las Vegas Boulevard, conducted in partnership with Clark County Public Works to replace water infrastructure originally installed in 1963. Completion is targeted for April 2028 with most phases already completed or under construction.
- **Sahara Avenue Pipeline Replacements:** The District will replace 2,500 linear feet of high-risk 18-inch steel cylinder concrete pipe installed in 1955 along Sahara Avenue to improve reliability and reduce the risk of pipeline failure, with construction scheduled from July 2026 through April 2027.
- **Vegas Heights Subdivision Pipeline Improvements:** The District will install approximately 30,500 feet of new 8-inch and 12-inch water pipeline in the Vegas Heights neighborhood to improve fire flow capacity, replace aging infrastructure, and enhance system reliability. Construction is scheduled from September 2026 through May 2028.

- **4532 Zone Reservoir and Pumping Station:** This is a developer-funded project that will construct an 8-million-gallon reservoir and 6.5-MGD pumping station to provide water service and support planned growth in the far western Las Vegas Valley.
- **Cliffs Edge 3355 Zone Pumping Station:** This is a developer-funded project through which a 7,000 gallons per minute pumping station will transfer water from the 3205 to the 3355 pressure zone, adding capacity and supporting continued growth in the northwest Las Vegas Valley. Construction is planned from September 2027 through October 2028.
- **4125 Zone South Reservoir:** This is a developer-funded 10-million-gallon reservoir that is under construction, which will result in improved operational reliability, fire protection, and emergency water storage capacity for the growing Summerlin area. Completion is scheduled for November 2027.
- **Washburn 3355 Zone Reservoir:** This is a developer-funded 5-million-gallon reservoir being constructed in northwest Las Vegas to maintain system pressure, provide water storage, and serve future development in the area, with completion planned for May 2029.
- **Trihalomethanes (THM) Mitigation Project:** The District is installing spray aeration systems in reservoirs throughout the valley to remove trihalomethanes, improve water quality compliance, and enhance reservoir mixing. Construction will be underway through May 2028.
- **South Boulevard Facilities:** LVVWD is designing major water infrastructure near Sloan, including a 10-million-gallon reservoir and 18,500 feet of 42-inch pipeline to expand storage capacity and support future growth in the southern portion of the service area.
- **Springs Preserve Origen Remodel:** A fully grant-funded project will transform the Origen Museum into a new Science & Sustainability Center featuring interactive exhibits on the Colorado River, water management, and regional environmental challenges, with construction scheduled through March 2029.

CONTINUING DISCLOSURE

On November 10, 1994, the U.S. Securities and Exchange Commission amended the Securities Exchange Act of 1934, Rule 15c2-12, regarding continuing disclosure by issuers of municipal securities for the benefit of holders of such securities. The amendments require, among other things, that certain annual financial information be provided to various information repositories for bond issues sold on or after July 3, 1995. The annual financial information must include an update of the same historical financial statements, except forecasts, that were included in the final official statement issued at the time of the bond sale. The required annual financial information for the District is available on the Electronic Municipal Market Access website, the Municipal Securities Rulemaking Board's central repository.

AWARDS AND ACKNOWLEDGMENTS

Annual Report – The Government Finance Officers Association (GFOA) of the United States and Canada awarded a "Certificate of Achievement for Excellence in Financial Reporting" to the District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025. This is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports.

To receive this award, a governmental unit must publish an easily readable and efficiently organized financial report that conforms to program standards. Such reports must satisfy both accounting principles generally accepted in the United States (GAAP) as well as other applicable legal requirements. The District has received this award for the last 47 consecutive years.

We believe this report continues to conform to certificate requirements and plan to submit it to the GFOA after approval from the Board.

Budget – In addition, the District has also received the GFOA's "Distinguished Budget Presentation Award" for its budget document for the previous 32 consecutive years. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as an operations guide, a financial plan, and a policy and communication document.

The Distinguished Budget Presentation Award is awarded on an annual basis. We believe the current budget continues to conform to program requirements, and we have submitted it for award consideration.

District – The LVVWD was named the recipient of KM World's KM Reality Award, recognizing organizations with knowledge management programs supported by executive leadership and guided by measurable performance outcomes. The Information Governance team led a comprehensive initiative to restructure unstructured content across shared drives and select applications, significantly improving organization, accessibility, and usability. In addition, a formal Knowledge Management Program was established to support long-term governance and operational consistency.

Springs Preserve – This year, Nuwu Pahsats ("The People's Garden") at the Springs Preserve received the American Association for State and Local History's 2025 Award of Excellence, recognizing its role in preserving Southern Nevada Paiute history, language, and culture. The Springs Preserve partnered with members of Southern Nevada Paiute groups, including the Moapa, Las Vegas, and Pahrump Paiute tribes, to develop the garden and ensure accurate cultural representation. The project includes more than 70 documented Nuwu words and phrases displayed on interpretive panels, along with native plant species of cultural significance.

Other Acknowledgments – We express our appreciation to the accounting staff for their dedication in the preparation of this report, the staff members of other departments for their assistance and the auditors (Baker Tilly US, LLP) for their professional services. We also acknowledge the members of the Board of Directors for their continued support and sound governance.

Sincerely,





John J. Entsminger
General Manager

Paul Johnson
Chief Financial Officer

LAS VEGAS VALLEY WATER DISTRICT
List of Principal Officials
As of October 7, 2026

Board of Directors



Marilyn Kirkpatrick
President



James Gibson
Vice President



Justin Jones
Director



William McCurdy II
Director



April Becker
Director



Michael Naft
Director



Tick Segerblom
Director

Executive Management



John J. Entsminger
General Manager



Andy Belanger
Deputy General Manager
Administration



Colby Pellegrino
Deputy General Manager
Resources



Doa Ross
P.E. Deputy General Manager
Engineering & Operations

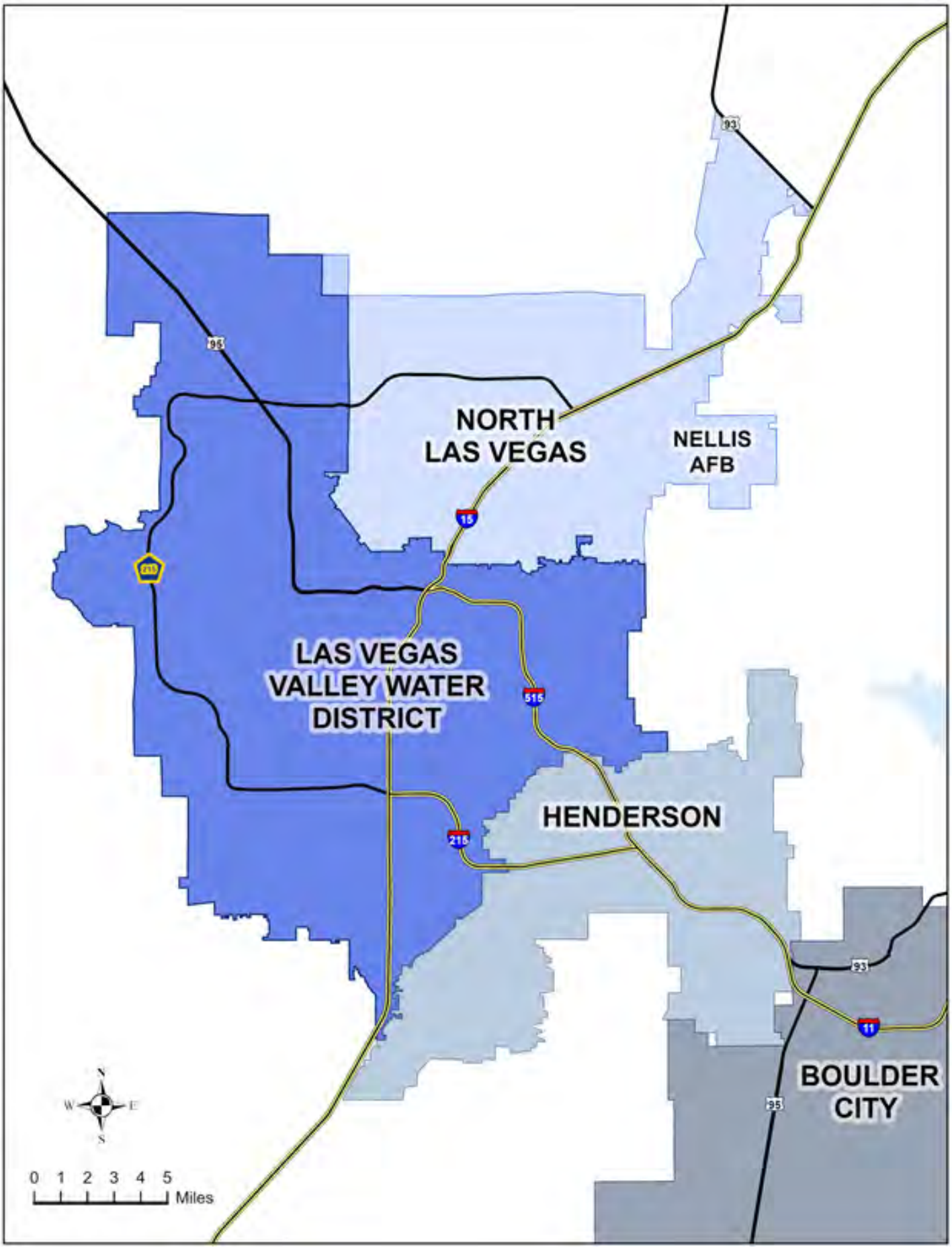


Paul Johnson
Chief Financial Officer

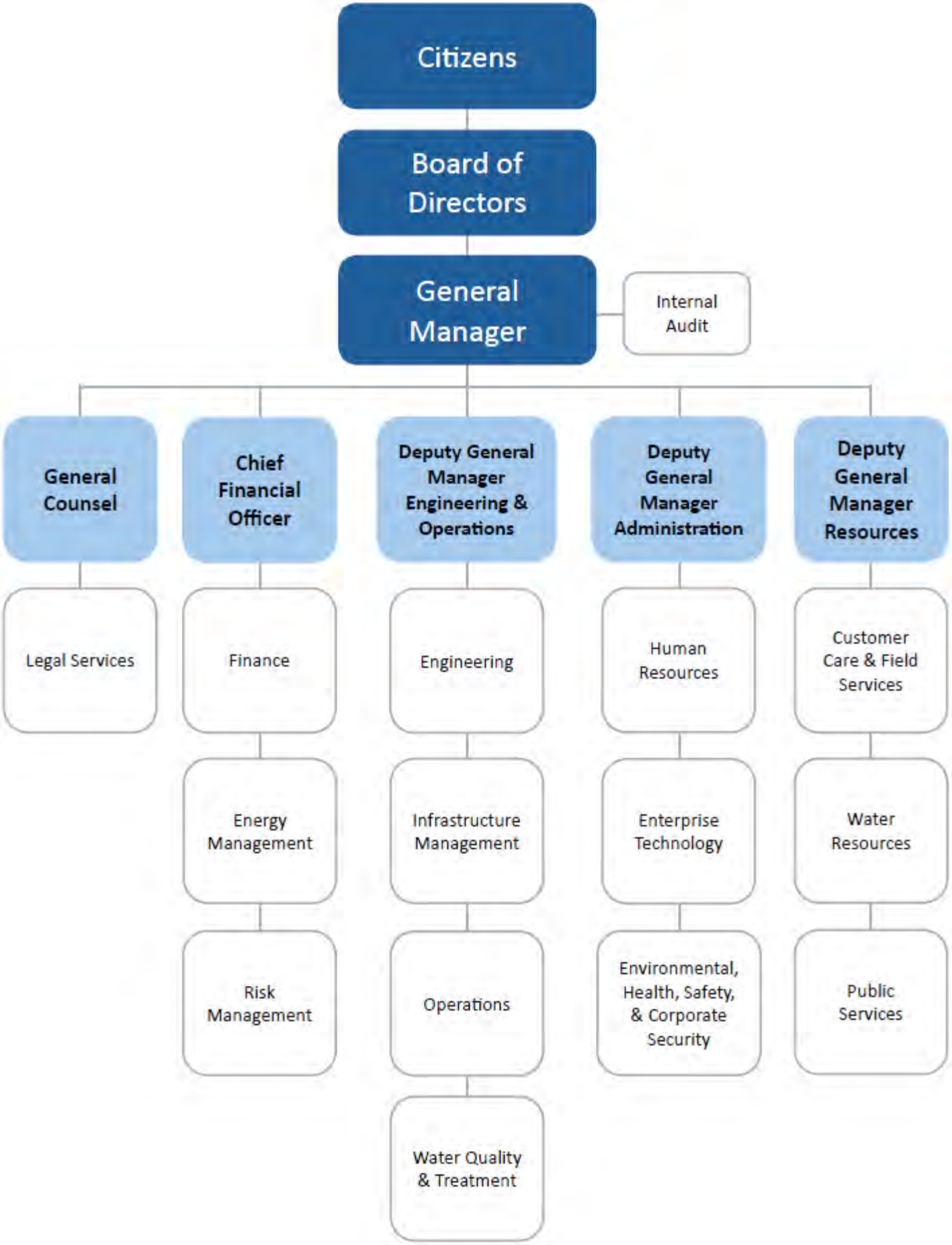


Gregory J. Walch
General Counsel

LAS VEGAS VALLEY WATER DISTRICT
Map of Service Area
As of June 30, 2026



LAS VEGAS VALLEY WATER DISTRICT
Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Las Vegas Valley Water District
Nevada

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2025

Christopher P. Morrill

Executive Director/CEO

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Financial Section

- Independent Auditors' Report
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LAS VEGAS VALLEY WATER DISTRICT®

Independent Auditors' Report

To the Board of Directors of
Las Vegas Valley Water District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of the Las Vegas Valley Water District (District), a discretely presented component unit of Clark County, Nevada, as of and for the years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and fiduciary activities of the District as of June 30, 2026 and 2025, and the changes in financial position and, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the District component unit and do not purport to and do not, present fairly the financial position of Clark County, Nevada, as of June 30, 2026 and 2025 and the changes in financial position or, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 1, the District adopted the provisions of GASB Statement No. 103, *Financial Reporting Model Improvements*, effective July 1, 2025. Accordingly, the accounting changes have been retroactively applied to prior periods presented. Our opinions are not modified with respect to this matter.

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.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 audits were conducted for the purpose of forming opinions on the basic financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis 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 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 supplementary information is 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 included in the annual comprehensive financial report but does not include the basic financial statements and our auditors' 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 October 7, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2026

The purpose of management's discussion and analysis (MD&A) is to help the Las Vegas Valley Water District's (District) readers understand what the financial statements and notes in the financial report say about the District's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the District's finances. This MD&A should be read in conjunction with the District's basic financial statements, accompanying notes, and required supplementary information, which follow this section.

OVERVIEW OF FINANCIAL STATEMENTS

In accordance with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"), the District's financial report contains basic financial statements, which are comprised of three components: 1) enterprise fund financial statements, 2) fiduciary pension and other employee benefits trust fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary and statistical information in addition to the basic financial statements.

- **Fund financial statements.** A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for specific activities or objectives. The District maintains two types of funds: a proprietary fund and fiduciary pension and other employee benefits trust funds.

- **Proprietary fund.** The proprietary fund reports all of the District’s operations, except pension and other postemployment benefit activity. The operations are reported similar to a private-sector business enterprise. There are three components presented in the basic financial statements: 1) comparative statements of net position, 2) comparative statements of revenues, expenses, and changes in net position, and 3) comparative statements of cash flows.

  The comparative statements of net position present the District’s assets and deferred outflows and liabilities and deferred inflows, with the difference reported as “net position.” Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

  The comparative statements of revenues, expenses, and changes in net position outline how the District’s net position has changed over time. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

  The statements of cash flows are the third basic financial statement for the proprietary fund. The primary purpose of the statements of cash flows is to provide relevant information about the District’s cash receipts and cash payments; these are segregated among operating, capital and related financing, and investing activities.

- **Fiduciary fund financial statements.** The fiduciary fund financial statements include two fiduciary funds related to the District's employee benefit plans; one for the pension and another for the postemployment benefits other than pension (OPEB). The fiduciary trust funds account for the assets, liabilities and changes in net position. The fiduciary funds are not reflected in the proprietary fund financial statements because fiduciary fund resources are not available to support District operations. The fiduciary trust funds are accounted for in essentially the same manner as the proprietary fund.

  A more detailed description of the plans, including additional details regarding benefits, calculations of average monthly compensation, the vesting schedule for benefits, the valuation date, actuarial cost method, asset valuation method (including the use of smoothing techniques) and other significant

assumptions for the fiscal year ended June 30, 2026 can be found in Note 16 - Postemployment Benefits Other Than Pensions (OPEB) and Note 17 - Defined Benefit Pension Plan, as well as in the Required Supplementary Information and Other Supplementary Information in the audited financial statements.

- **Notes to the basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the basic financial statements. While the information included in this discussion and analysis is a summary, a review of the notes to the basic financial statements are necessary to achieve a full understanding of the District's financial position.

- **Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report includes required supplementary information describing the District's contributions to and funding progress of the fiduciary trust funds.

- **Supplementary information.** The statement of revenues, expenses, and changes in net position and the statement of cash flows are presented on a budget-to-actual comparison in compliance with Nevada Revised Statutes (NRS) 354. Combining schedules for the fiduciary funds are also included.

- **Statistical section.** This statistical information provides financial trends, revenue capacity, debt capacity, demographic and economic condition, and operational trends to enhance the reader's understanding of the District's economic position in a broader context.

Types of Information in the Financial Statements

The District's financial statements use the economic resources measurement focus and accrual basis of accounting. In other words, they comprehensively report all types of financial statement elements:

- Assets - resources the District controls, from short-term assets like cash to long-term assets like infrastructure and land and land rights

- Liabilities - amounts the District owes, from short-term liabilities such as salaries payable to long-term liabilities such as outstanding debt and net amounts owed to employees for pensions

- Deferred outflows of resources and deferred inflow of resources - flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related

- Revenues and expenses - inflows and outflows of economic resources, respectively, related to the current year, regardless of when cash is received

Adoption of GASB Statement No. 103

Certain amounts on the Statement of Revenues, Expenses and changes in Net Position have been restated to reflect the implementation of GASB Statement No. 103, *Financial Reporting Model Improvements*. Presentation updates were also made to reflect the GASB Statement No. 103 guidance and to better reflect the District's operating activity. There were no changes to the net position reflected with the restatement for the fiscal year ended June 30, 2025.

FINANCIAL SUMMARY FOR STATEMENT OF NET POSITION

The following table summarizes the Statements of Net Position as of June 30, 2026, 2025, and 2024:

Condensed Statements of Net Position (In Millions)

	2026	2025	2024
ASSETS			
Capital assets, net	$ 1,988.3	$ 1,944.4	$ 1,877.8
Other assets	2,977.6	3,206.7	2,951.8
Total assets	4,965.9	5,151.1	4,829.6
DEFERRED OUTFLOWS OF RESOURCES	84.9	52.5	51.5
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 5,050.8	$ 5,203.6	$ 4,881.0
LIABILITIES			
Current liabilities	$ 342.3	$ 365.3	$ 352.8
Noncurrent liabilities	2,731.4	3,061.6	2,939.8
Total liabilities	3,073.7	3,426.9	3,292.6
DEFERRED INFLOWS OF RESOURCES	154.0	64.7	43.1
NET POSITION			
Net investment in capital assets	1,120.8	1,066.2	1,011.5
Restricted for debt service	11.9	13.6	13.4
Restricted for captive insurance	0.5	0.5	0.5
Unrestricted	689.9	631.6	519.8
Total net position	1,823.1	1,712.0	1,545.3
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 5,050.8	$ 5,203.6	$ 4,881.0

Note: Immaterial differences may occur due to rounding

DETAILED ANALYSES

Fiscal Year 2026

The District's financial position improved during the year ended June 30, 2026, as reflected in the $111.1 million or 6.5 percent increase in total net position. Total net position is comprised of net investments in capital assets, restricted and unrestricted resources. Capital assets increased by $43.9 million or 2.3 percent in fiscal year 2026 compared to fiscal year 2025 primarily due to the completion of the Rome reservoir and pumping station and the enterprise asset management software replacement projects. The District continues to extend and improve assets to ensure continuous and reliable water services while meeting the demands of growth. This was offset by a decrease in other assets of $229.1 million or 7.1 percent in fiscal year 2026 compared to fiscal year 2025 primarily in due from related parties, for bonds issued by LVVWD on behalf of SNWA. The SNWA 2015B refunding bonds and the SNWA 2015C refunding bonds were paid off in January 2026 for a total of $248.3 million.

Deferred outflows of resources increased by $32.4 million or 61.6 percent in fiscal year 2026 compared to fiscal year 2025. The increase is primarily due to differences between expected and actual earnings with regard to investment gains affecting the pension plan for the District and related parties. Actual investment returns of 16.8 percent significantly exceeded the expected return of 6.8 percent, increasing the amount of pension-related deferred outflows reported in fiscal year 2026.

Total liabilities decreased $353.2 million or 10.3 percent in fiscal year 2026 compared to fiscal year 2025. The decrease was primarily driven by the January 2026 paid off bonds, which reduced bonds payable, including related party bonds payable, by $292.0 million. Of this amount, $207.2 million was related to the paid off SNWA 2015B and the 2015C refunding bonds, $84.8 million related to the paid off LVVWD 2015A refunding bonds and partially paid off LVVWD 2018A bonds, and the issuance of the LVVWD 2026B refunding bonds, which was then used to refund the outstanding portion of the LVVWD 2016B bonds. See detailed analyses on long-term debt activity below. Total liabilities also benefited from a $98.6 million decrease in net pension liability. The decrease was a result of an 18.2 percent increase in fiduciary plan net position compared to 6.9 percent increase in total pension liability, resulting in a favorable funded status of the pension plan and reducing the net pension obligation. These decreases to total liabilities were partially offset by increases in subscription-based information technology arrangements of $14.3 million, accounts payable and accrued liabilities of $12.7 million, and construction advances of $9.2 million.

Deferred inflow of resources increased by $89.2 million or 137.8% in fiscal year 2026 compared to fiscal year 2025. The increase is primarily due to differences between expected and actual earnings with regard to investment gains affecting the pension plan for the District and related parties. Actual investment returns of 16.8 percent significantly exceeded the expected return of 6.8 percent, increasing the amount of pension-related deferred inflows reported in fiscal year 2026.

Fiscal Year 2025

The District's financial position improved during the year ended June 30, 2025, as reflected in the $166.7 million or 10.8 percent increase in total net position. Total assets increased 6.7 percent in fiscal year 2025 compared to fiscal year 2024 primarily due to the related party receivable from the issuance of SNWA 2025A new money bonds for the SNWA. Cash and investments also increased $47.4 million from higher operating revenues and capital contributions. The increase in capital assets of $66.6 million is attributable to the construction, improvement, or acquisition of assets providing services to the District's customers.

Deferred outflows of resources increased 1.9 percent in fiscal year 2025 compared to fiscal year 2024 primarily as a result of the differences between projected and actual earnings among the pension and OPEB fund investments for the District's and related parties.

Total liabilities increased 4.1 percent in fiscal year 2025 compared to fiscal year 2024 primarily due to a net increase in long-term debt from the issuance of SNWA 2024A refunding bond and SNWA 2025A new money bond offset by a decrease in the actuarially determined pension and OPEB liabilities.

Deferred inflows of resources increased 50.2 percent in fiscal year 2025 compared to fiscal year 2024 primarily as a result of the differences between projected and actual earnings among the pension and OPEB fund investments for the District's and related parties.

The District maintains positive balances in all three components of net position and remains in a healthy financial condition.

FINANCIAL SUMMARY FOR STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Changes in the District's net position can be determined by a review of the following condensed Statements of Revenues, Expenses, and Changes in Net Position for the fiscal years ended June 30, 2026, 2025, and 2024:

Condensed Statements of Revenues, Expenses, and Changes in Net Position (In Millions)

	2026	Restated 2025	2024 [1]
OPERATING REVENUES			
Water sales	$ 477.6	$ 475.4	$ 443.9
Other operating revenues	17.5	10.9	9.3
Total operating revenues	495.1	486.3	453.2
OPERATING EXPENSES			
Purchased water and energy	127.2	126.9	122.0
Other operating expenses	214.1	178.8	184.0
Depreciation and amortization expense	105.1	98.4	94.7
Total operating expenses	446.4	404.1	400.7
Operating income	48.7	82.2	52.5
OTHER NONOPERATING REVENUES (EXPENSES)			
Interest income	30.8	51.7	38.4
Interest expense	(35.9)	(38.9)	(38.6)
Capital contributions	58.1	61.8	53.5
Other nonoperating items, net	9.4	9.9	10.7
Total other nonoperating revenues (expenses)	62.5	84.5	63.9
CHANGE IN NET POSITION	$ 111.2	$ 166.7	$ 116.5
NET POSITION			
Beginning balance	$ 1,711.9	$ 1,545.2	$ 1,428.7
Change in net position	111.2	166.7	116.5
Ending	$ 1,823.1	$ 1,711.9	$ 1,545.2

[1] Updated for GASB Statement No. 103, *Financial Reporting Model Improvements* presentation.

Note: Immaterial differences may occur due to rounding

DETAILED ANALYSES

Total Operating Revenues

Fiscal Year 2026 - Total operating revenues of $495.1 million increased by $8.8 million or 1.8 percent for the fiscal year ended June 30, 2026 compared to June 30, 2025. Water sales make up 96.5 percent of operating revenues in fiscal year 2026. Effective January 2019, and annually thereafter, water rate increases are equal to the Consumer Price Index (CPI), but cannot exceed 4.5 percent or be less than 1.5 percent. The rate increase implemented in January 2026 was 3.1 percent resulting in a water sales increase of $2.2 million. Water bills consist of fixed and variable charges and the variable rates are an inclining block structure designed to encourage water conservation. Water consumption decreased to 100.1 million gallons or 2.5 percent due to continued conservation measures. Although consumption decreased, active accounts increased by 5,164 and water revenues increased by 0.5 percent for the fiscal year 2026. It is possible for active accounts, usage and revenues to increase or decrease at different rates. Other operating revenues increased $6.5 million primarily due to payments from the City of Las Vegas for improvements to the Meadows Detention Basin, owned by the City of Las Vegas and located in the Springs Preserve Cienega environment.

Fiscal Year 2025 - Total operating revenues of $486.3 million increased by $33.1 million or 7.3 percent for the fiscal year ended June 30, 2025 compared to June 30, 2024. Water sales make up 97.8 percent of operating revenues in fiscal year 2025. The increase was primarily due to water sales as a result of the annual rate increase implemented in January 2025 of 2.5 percent and water consumption of 102.7 million gallons in fiscal year 2025 compared to 99.0 million gallons in fiscal year 2024, an increase of 3.7 million gallons or 3.7 percent. The increase in metered water usage during fiscal year 2025 was attributable to warmer weather. During fiscal year 2025, the Las Vegas Valley had a record 103 days with temperatures at or above 100 degrees Fahrenheit, including 29 days with temperatures at or above 100 degrees. The Las Vegas Valley also reached a record high temperature of 120 degrees in July 2024. The number of active accounts increased to 436,077 at June 30, 2025 from 428,243 at June 30, 2024, an increase of 7,834 accounts.

Total Operating Expenses

Fiscal Year 2026 - Total operating expense of $446.4 million increased by $42.3 million or 10.5 percent for the fiscal year ended June 30, 2026 compared to June 30, 2025. The increase was primarily due to the Water Smart Landscape and Water Efficient Technologies Program rebate incentives for LVVWD customers, repairs and maintenance of aging assets, expenses related to the improvements of the Meadows Detention Basin, and salaries and benefits due to an increase in pension expense. Depreciation expense also increased due to recent capital additions placed into service.

Fiscal Year 2025 - Total operating expense of $404.1 million increased by $3.3 million or 0.8 percent for the fiscal year ended June 30, 2025 compared to June 30, 2024. Although total operating expenses were relatively the same in fiscal year 2025 compared to fiscal year 2024, purchased water expense increased $7.7 million, or 7.2 percent in fiscal year 2025. Operations and maintenance expense increased $1.7 million, or 3.9 percent due to higher costs for purchased services for customer care related to meters, engineering related to costs for paving, infrastructure management, risk management, and water resources functions. This was offset by a decreased in salaries and benefits expense of $6.9 million or 4.9 percent primarily due to lower pension and OPEB expenses.

Other Nonoperating Revenues (Expenses)

Fiscal Year 2026 - Total net other nonoperating revenues (expenses) of $62.4 million decreased by $22.0 million or 26.1 percent compared to fiscal year 2025. The decrease was primarily due to lower market returns on investments during the current fiscal year.

Fiscal Year 2025 - Total net other nonoperating revenues (expenses) of $84.5 million increased by $20.5 million or 32.1 percent compared to fiscal year 2024. The increase was primarily due higher market returns on

investments during the fiscal year and greater capital contributions of donated mains and services in fiscal year 2025.

SIGNIFICANT CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

Capital assets. The District's capital assets on June 30, 2026 were $2.0 billion (net of accumulated depreciation). Capital assets include land, collecting and impounding reservoirs, pumping stations and equipment, transmission and distribution mains, service pipes from the distribution mains to customer meters, and transportation and office equipment. Additional information on the types and values of the District's capital assets can be found in Note 1 and Note 8 to the basic financial statements of this report.

The District's ongoing capital improvements expenditures are funded with bond proceeds, state revolving fund loan proceeds, and reserves. In fiscal year 2026, the District made capital expenditures, net of capital contributed for construction, of $69.8 million. Total contract commitments were $35.6 million at June 30, 2026.

Significant capital improvements expenditures during fiscal year 2026 included the following:

- Las Vegas Boulevard improvements. Total expenditures in fiscal year 2026 were $0.7 million. The project was funded using bond funds. Contract commitments at June 30, 2026 were $26.8 million.
- 4125 Zone South Reservoir. Total expenditures in fiscal year 2026 were $7.1 million. There were no contract commitments at June 30, 2026.
- Charleston Boulevard/Rancho Drive Pressure Zone Conversion. Total expenditures in fiscal year 2026 were $5.5 million. Contract commitments at June 30, 2026 were $1.1 million.

The fiscal year 2027 budget projects $194.0 million in capital expenditures. The current ongoing capital plan includes design and construction of new reservoirs and pumping stations, construction of new and existing wells, pipeline replacements, backflow installations, meter replacements, and fleet vehicles. Some of these projects will become operational in fiscal year 2027, while other projects will be completed in subsequent fiscal years.

Long-term debt. At the end of fiscal year 2026, the District had total bond debt and State Revolving Fund loans outstanding of $2.6 billion, $1.8 billion of which was secured by pledged revenue of the SNWA. All of the debt is general obligation debt. As of June 30, 2026, Moody's rated the District's general obligation bonds Aa1 and S&P rated them AA.

On August 1, 2024, S&P Global Ratings issued a credit rating report indicating the District's existing parity obligations increased from AA to AA+, reflecting resilient economic fundamentals and extremely strong management, which have reduced risks associated with ongoing water supply uncertainty.

On March 4, 2026, the District issued the series 2026A refunding bonds on behalf of the SNWA in the original amount of $335.1 million with $46.0 million in premiums. Proceeds from the bonds were deposited into escrow to refund the remaining portions of the LVVWD 2016A bonds. The LVVWD 2026A refunding is comprised of serial bonds maturing on June 1 between 2027 and 2046. Interest will be paid semiannually on June 1 and December 1. The true interest cost is 3.58 percent. The aggregate difference in debt service between the refunding debt and the refunded debt is $70.6 million. The net present value of these savings as measured at closing was $51.5 million.

On March 4, 2026, the District issued the series 2026B refunding bonds in the original amount of $59.0 million with $8.5 million in premiums. Proceeds from the bonds were deposited into escrow to refund the remaining portions of the LVVWD 2016B bonds. The LVVWD 2026B refunding is comprised of serial bonds maturing on June 1 between 2027 and 2036. Interest will be paid semiannually on June 1 and December 1. The true interest cost is

2.45 percent. The aggregate difference in debt service between the refunding debt and the refunded debt is $10.4 million. The net present value of these savings as measured at closing was $9.1 million.

The District has entered into multiple lease agreements and subscription-based information technology arrangements (SBITA). At the end of fiscal year 2026, the District had $4.3 million and $27.4 million in lease and SBITA liabilities. Lease agreements consist of office space at Molasky Corporate Center from SNWA (see Note 12), office equipment and operating equipment. The District has prioritized ensuring enterprise technology software used by the District are reliable and efficient. SBITAs provide an alternate avenue of acquiring sophisticated and scalable software without needing physical space to house the technology. The District anticipates SBITAs to increase as legacy software moves to the cloud.

For more information on long-term debt, see Note 10.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

Economic Conditions and Outlook

Economic conditions in Southern Nevada present a mixed but generally positive outlook. Population, employment, and visitor volume are expected to continue growing through 2026, although the pace of growth is projected to moderate in 2027. Management maintains a cautiously optimistic financial outlook and believes the District is in a healthy financial position.

Overall Inflationary Pressure

Several factors could influence the economic outlook over the next two years. Although inflation has moderated from elevated levels experienced in recent years, higher prices continue to affect consumer purchasing power and discretionary spending. Despite this, current indicators suggest Southern Nevada’s economy remains on stable footing heading into 2027.

Ongoing Needs for Capital Investment

The District is consistently engaged in proactive, long-term financial planning to identify future infrastructure needs and ensure rate adjustments remain predictable and controlled. The District’s long-term financial plan is structured to maintain financial sustainability by providing adequate funding for operations and maintenance, capital improvements, debt service requirements, and strategic reserves. Funding is derived from a combination of operating revenues, unrestricted cash and investments, and debt financing, as appropriate.

The District regards its reserves as a critical component of its fiscal health and one of the most important metrics supporting an investment grade credit rating of AA+ and Aa1 from S&P Global Ratings and Moody's Ratings, respectively. Reserves are monitored regularly and unexpected decreases are managed through a combination of methods. Departments are required to practice careful management of financial resources. Customer fees and charges are adjusted to maintain required debt service coverage and sufficient working capital. Reserves are used sparingly. When used, the reserves are compared to long-range projections of reserve levels, and modifications to revenue and expense streams are made as needed.

Climate Impacts

Over the last 26 years, the Colorado River Basin has experienced a persistent drought which has affected the surface elevations and storage contents of Lake Mead and Lake Powell. By the end of September 2026, Lake Mead’s surface elevation is projected to decline to approximately 175 feet below its pre-drought elevation. Storage contents will decrease to 26 percent of storage capacity, a reduction of approximately 75 percent since 2000. Similarly, storage contents in Lake Powell are projected to decline to 22 percent of capacity. The 2007 Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead, along

with the 2019 Drought Contingency Plan will expire at the end of 2026. In response, the Secretary of the Interior (Secretary) issued new reservoir operating guidelines, known as the Colorado River Guidelines for Coordinated Operations of Lake Powell and Lake Mead for the 2027 and 2028 Operating Years (Operating Guidelines).

In accordance with the 2027-2028 Operating Guidelines, the Secretary determined that a Shortage Condition exists for calendar year 2027 for the purpose of allocating Colorado River water among the Lower Division States. As a result, Arizona, California, and Nevada will be subject to shortage reductions. In 2027, Nevada's allocation will be reduced by 50,000 acre-feet (AF) to 250,000 AF, subject to confirmation from a forthcoming agreement amongst the Lower Division States in development. Should drought conditions persist, and reservoir elevations continue to decline, the Lower Division States, including Nevada, may face additional reductions to their Colorado River allocations in future years. The SNWA Water Resource Plan outlines the strategies and resources the SNWA will use to continue meeting water demands under a range of supply and drought scenarios.

As of August 24, 2026, the SNWA, which the District is a member agency, joined the State of Nevada and the Colorado River Commission of Nevada in litigation challenging a federal Record of Decision governing post-2026 Colorado River operations and water allocations. The litigation involves matters related to the management of Colorado River resources, which are a primary water supply source for Southern Nevada. The outcome of the litigation and any resulting impacts cannot be reasonably estimated at this time.

Requests for information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Las Vegas Valley Water District, 1001 South Valley View Blvd, Las Vegas, NV 89153.

The Annual Report can also be viewed at https://www.lvvwd.com/about/budget-financial-reports/index.html.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund
Statements of Net Position
As of June 30, 2026 and 2025

	2026	2025
ASSETS		
CURRENT ASSETS		
Unrestricted		
Cash and cash equivalents	$ 42,986,998	$ 50,366,380
Investments	732,515,829	647,104,335
Interest receivable	5,246,201	4,868,377
Accounts receivable, net of allowance for doubtful accounts	95,018,470	90,060,796
Accounts receivable, related party	19,467,060	16,236,110
Lease receivable	167,023	160,972
Inventories and prepaid expenses	17,845,272	16,038,105
Total unrestricted	913,246,853	824,835,075
Restricted		
Cash and cash equivalents	8,299,562	6,063,366
Investments	38,811,209	40,247,941
Due from related party	90,078,073	125,145,713
Total restricted	137,188,844	171,457,020
Total current assets	1,050,435,697	996,292,095
NONCURRENT ASSETS		
Capital assets, net of accumulated depreciation and amortization		
Construction in progress	148,724,878	182,638,958
Land and land rights	56,458,071	54,030,578
Property, plant, and equipment	3,811,309,535	3,652,409,264
Accumulated depreciation and amortization	(2,028,173,656)	(1,944,706,001)
Total capital assets, net of accumulated depreciation and amortization	1,988,318,828	1,944,372,799
Other noncurrent assets		
Due from related party, unrestricted	26,195,285	67,583,744
Due from related party, restricted	1,829,825,000	2,001,660,000
Investments, unrestricted	32,425,615	34,500,707
Investments, restricted	31,469,437	105,084,679
Lease receivable	900,123	1,067,145
Net postemployment benefits other than pension asset	6,147,804	—
Other assets	250,992	491,589
Total other noncurrent assets	1,927,214,256	2,210,387,864
Total noncurrent assets	3,915,533,084	4,154,760,663
TOTAL ASSETS	4,965,968,781	5,151,052,758
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount related to pension	43,027,444	45,637,390
Deferred amount related to postemployment benefits other than pension	1,364,523	1,778,656
Deferred amount, related party	40,471,533	5,094,714
Total deferred outflows of resources	84,863,500	52,510,760
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 5,050,832,281	$ 5,203,563,518

(Continued)

The accompanying notes are an integral part of these basic financial statements.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund
Statements of Net Position
As of June 30, 2026 and 2025

	2026	2025
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and other accrued liabilities	$ 86,830,639	$ 74,171,678
Service installation deposits	813,500	1,032,192
Customer advances for construction	19,906,518	10,917,653
Payroll and related liabilities	66,295,206	62,691,542
Current portion of bonds payable	30,690,000	47,645,000
Current portion of bonds payable, related party	82,595,000	117,950,000
Accrued bond interest	5,364,623	5,783,940
Current portion of state revolving fund loans	2,851,390	2,787,325
Accrued state revolving fund loan interest	351,350	383,196
Accrued debt interest, related party	7,483,073	7,195,713
Construction contracts payable	2,453,907	2,250,874
Customer guarantee deposits	26,227,892	26,166,774
Current portion of lease obligations	2,433,934	2,362,071
Current portion of subscription obligations	8,045,323	3,913,658
Total current liabilities	342,342,355	365,251,616
NONCURRENT LIABILITIES		
Net pension liability	71,636,805	170,216,729
Net postemployment benefits other than pension liability	—	1,538,193
Deferred compensation liability	821,284	652,999
Unearned revenue	9,914,297	8,362,664
Bonds payable and net unamortized premiums	769,900,788	835,013,783
State revolving fund loans	28,142,570	30,993,960
Bonds payable and unamortized premiums, related party	1,829,825,000	2,001,660,000
Lease obligation, net of current portion	1,829,529	4,048,091
Subscription obligation, net of current portion	19,314,395	9,116,837
Total noncurrent liabilities	2,731,384,668	3,061,603,256
TOTAL LIABILITIES	3,073,727,023	3,426,854,872
DEFERRED INFLOWS OF RESOURCES		
Deferred amount related to bond refundings	7,366,434	3,263,109
Deferred amount related to pension	139,834,047	55,318,171
Deferred amount related to postemployment benefits other than pension	5,798,773	5,009,659
Deferred amount on leases	983,222	1,158,740
Total deferred inflows of resources	153,982,476	64,749,679
NET POSITION		
Net investment in capital assets	1,120,791,571	1,066,212,365
Restricted for debt service	11,912,317	13,637,167
Restricted for captive insurance	525,000	525,000
Unrestricted	689,893,894	631,584,435
Total net position	1,823,122,782	1,711,958,967
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 5,050,832,281	$ 5,203,563,518

The accompanying notes are an integral part of these basic financial statements.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	Restated 2025
OPERATING REVENUES		
Water sales	$ 477,622,678	$ 475,388,639
Inspection and application fees	2,847,544	2,632,900
Springs Preserve	3,334,863	2,866,456
Lease revenues	4,326,493	2,558,215
Other	6,973,262	2,875,936
Total operating revenues	495,104,840	486,322,146
OPERATING EXPENSES		
Salaries and benefits	140,608,647	134,512,229
Purchased water	112,633,044	114,907,729
Purchased energy	14,615,582	11,951,320
Operations and maintenance	73,397,133	44,326,036
Depreciation and amortization	105,134,904	98,379,010
Total operating expenses	446,389,310	404,076,324
OPERATING INCOME	48,715,530	82,245,822
OTHER NONOPERATING REVENUES (EXPENSES)		
Interest expense	(35,865,820)	(38,949,312)
Amortization of refunding costs	1,098,331	750,223
Amortization of bond premiums and discounts	8,283,184	8,866,858
Interest and investment income, unrestricted	29,416,012	45,574,337
Interest and investment income, restricted	1,363,009	6,096,534
Cost of issuance	(402,905)	—
Capital contributions	58,089,774	61,803,792
Gain on sale of assets	466,700	317,559
Total other nonoperating revenues (expenses)	62,448,285	84,459,991
CHANGE IN NET POSITION	111,163,815	166,705,813
NET POSITION, BEGINNING OF THE YEAR	1,711,958,967	1,545,253,154
NET POSITION, END OF YEAR	$ 1,823,122,782	$ 1,711,958,967

The accompanying notes are an integral part of these basic financial statements.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	Restated 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 476,892,915	$ 485,300,273
Other cash receipts	9,896,063	4,028,110
Cash payments to employees for services	(150,367,092)	(146,207,572)
Cash payments to suppliers for goods and services	(187,388,885)	(163,843,255)
Other cash payments	(1,547)	(20,695)
Net cash provided by operating activities	149,031,454	179,256,861
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(106,442,438)	(120,500,197)
Capital contributed	36,593,948	27,320,236
Proceeds from sale of property and equipment	1,093,454	931,874
Right of use leases	(2,527,724)	(2,525,407)
Subscription asset	(7,877,073)	(7,597,571)
Debt issue costs	(260,909)	—
Principal paid on debt	(71,512,476)	(48,134,729)
Interest paid on debt (net of subsidy)	(34,294,262)	(37,474,009)
Construction deposits received (paid), net	8,770,172	4,449,539
Net cash (used in) capital and related financing activities	(176,457,308)	(183,530,264)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investment securities	(479,734,874)	(688,833,817)
Proceeds from sales and maturities of investment securities	472,548,945	669,697,750
Interest on investments	29,468,597	24,930,258
Net cash provided by investing activities	22,282,668	5,794,191
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,143,186)	1,520,788
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	56,429,746	54,908,958
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 51,286,560	$ 56,429,746
Cash and cash equivalents included in:		
Unrestricted cash and cash equivalents	$ 42,986,998	$ 50,366,380
Restricted cash and cash equivalents	8,299,562	6,063,366
Cash and cash equivalents at end of year	$ 51,286,560	$ 56,429,746

(Continued)
The accompanying notes are an integral part of these basic financial statements.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	Restated 2025
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$ 48,715,530	$ 82,245,822
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	105,134,904	98,379,010
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(5,280,134)	4,948,282
(Increase) in accounts receivable, related party	(3,230,950)	(816,476)
(Increase) decrease in inventories, prepaid expenses and other	(7,750,171)	888,185
Decrease (increase) in lease receivable	161,543	(43,936)
(Increase) in deferred outflows	(32,352,740)	(1,049,916)
Increase in accounts payable for operations	13,420,540	1,902,125
(Decrease) in payroll and other accrued liabilities	(54,896,591)	(27,998,684)
Increase (decrease) in unearned revenue for operations	1,551,771	(30,912)
Increase in deferred inflows	85,129,473	22,400,860
Other	(1,571,721)	(1,567,499)
Net cash provided by operating activities	$ 149,031,454	$ 179,256,861
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Capital asset contributions	$ 21,495,826	$ 34,483,556
Intangible right to use asset	(280,802)	(2,987,270)
Subscription asset	(21,754,451)	(14,026,479)
Change in fair value of investments	379,132	25,135,123
Lease liability right to use asset	280,802	2,987,270
Subscription liability	21,754,451	14,026,479
Refunding bonds issued	67,415,373	—
Bonds refunded	(72,362,180)	—
Deferred gain on refunded bonds	5,201,657	—
Due from related party, restricted	—	(394,430,000)
Debt issued on behalf of related party	—	394,430,000
Refunding bonds issued on behalf of related party	335,060,000	286,255,000
Bonds refunded on behalf of related party	(378,705,000)	(332,405,000)
Accrued but unpaid liabilities related to capital acquisitions	13,546,229	14,240,696

The accompanying notes are an integral part of these basic financial statements.

LAS VEGAS VALLEY WATER DISTRICT
Pension and Other Employee Benefits Trust Funds
Statements of Fiduciary Net Position
As of June 30, 2026 and 2025

	2026	2025
ASSETS		
Cash and cash equivalents	$ 8,846,173	$ 4,256,389
Insurance accounts at contract value	4,477,293	3,293,103
Investments at fair value:		
Domestic equity funds	551,662,907	431,727,616
Domestic bond funds	320,104,363	279,106,855
International equity fund	164,220,351	159,343,467
Real assets	106,187,342	99,487,000
Nevada Retirement Benefits Investment Trust	46,530,692	37,551,336
Total investments at fair value	1,188,705,655	1,007,216,274
Total investments	1,202,029,121	1,014,765,766
Accrued interest receivable	65,550	37,834
TOTAL ASSETS	1,202,094,671	1,014,803,600
LIABILITIES		
Accounts payable	224,660	194,014
NET POSITION		
Restricted for pensions	1,155,338,411	977,057,367
Restricted for OPEB	46,531,600	37,552,219
TOTAL NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS	$ 1,201,870,011	$ 1,014,609,586

The accompanying notes are an integral part of these basic financial statements.

LAS VEGAS VALLEY WATER DISTRICT
Pension and Other Employee Benefits Trust Funds
Statements of Changes in Fiduciary Net Position
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	2025
ADDITIONS		
Employer contributions	$ 60,706,326	$ 58,128,216
Employee contributions	725,147	907,657
Investment earnings:		
Interest	1,771,138	1,379,439
Net change in fair value of investments	173,811,238	119,054,275
Total investment (loss) earnings	175,582,376	120,433,714
Less investment expense	(650,938)	(587,449)
Net investment (loss) earnings	174,931,438	119,846,265
Total additions	236,362,911	178,882,138
DEDUCTIONS		
Administrative and general	479,594	445,451
Benefits	48,622,892	46,697,644
Total deductions	49,102,486	47,143,095
NET INCREASE IN NET POSITION	187,260,425	131,739,043
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS		
Beginning of year	1,014,609,586	882,870,543
End of year	$ 1,201,870,011	$ 1,014,609,586

The accompanying notes are an integral part of these basic financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Las Vegas Valley Water District (District) are prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as defined by the Governmental Accounting Standards Board (GASB), the independent and ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The significant accounting and reporting policies for the District are discussed below.

Reporting Entity

The District is a quasi-municipal corporation created for the purpose of obtaining and distributing water, primarily in the Las Vegas Valley, which includes the metropolitan area of Clark County and the City of Las Vegas. Because the Clark County Board of Commissioners serves as the District's Board of Directors (Board), and the exclusion of the District's financial statements would render the financial statements of Clark County incomplete, the District is included as a discretely (separately) presented component unit within the Clark County Annual Comprehensive Financial Report. For purposes of these financial statements, the District is the reporting entity.

LVVWD CI, Inc. (LVVWD CI) was established as of January 1, 2022 to act as a captive insurance company for the District and is a blended component unit because LVVWD CI exclusively benefits the District and District management has operational responsibility for this component unit. Component units are entities for which the District is considered to be financially accountable. The District's component unit is reported as a blended component unit. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately combined with the balances and transactions of the proprietary fund of the District.

Fund Accounting

The District's financial report presents the activities of the District on a fund basis. In governmental accounting, a fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. The District uses two types of funds: a proprietary (enterprise) fund and a fiduciary (pension trust and other postemployment benefits trust) fund.

Proprietary (Enterprise) Fund

Except for pension and other postemployment benefit activity, the proprietary (enterprise) fund accounts for all of the District's operations, similar to a commercial enterprise, using the economic resources measurement focus and the accrual basis of accounting. Accordingly, revenues are recorded when earned and expenses are recorded when a liability is incurred. The District adheres to all applicable financial accounting and reporting standards of the GASB. The intent of the District is to establish water rates sufficient to provide for payment of general operations and maintenance expenses, as well as required debt service and capital expenditures.

Fiduciary Funds

The fiduciary fund financial statements include two fiduciary funds related to District employee benefit plans. The Las Vegas Valley Water District Pension Plan fund accounts for the assets, liabilities, and changes in net position of the District's defined benefit pension plan in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans.* The fiduciary pension trust fund is accounted for in essentially the same manner as the proprietary (enterprise) fund using the same measurement focus and basis of accounting.

Retiree benefits not accounted for in the fiduciary pension trust fund were purchased through annuity contracts funded in a contractual allocated Pension Account with an insurance company through December 31, 2013. Beginning January 1, 2014, retiree benefits are paid by the fiduciary pension trust fund account held by a large

multi-national bank and are accounted for in the fiduciary pension trust fund. The assets and liabilities of the Pension Account are not recorded on the District's books.

The District contributes to a single-employer defined benefit "other postemployment benefit plan" (OPEB Plan). Benefit provisions are established and may be amended by the District's Board subject to collective bargaining agreements. During fiscal year 2019, the District established the Las Vegas Valley Water District, Nevada OPEB Trust Fund (OPEB Trust) where OPEB Plan assets are held in a trust to provide a means to fund the post-retirement benefits provided by the District.

Estimates

The preparation of financial statements in conformity with GAAP in the United States of America requires the use of estimates by management. Such estimates primarily relate to unsettled transactions and events as of the date of the basic financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents

The District's cash and cash equivalents include currency on hand, demand deposits, and other highly liquid investments with an original maturity of three months or less from the date of acquisition. For more information on cash and cash equivalents, see Note 3.

Investments

The investment policy is designed to ensure compliance with Nevada Revised Statutes (NRS) 355, minimize the loss of principal, provide sufficient liquidity, and earn a market rate of return. The District's investments are held in its own name and are reported at fair value, with the exception of investments of the pension plan and OPEB plan. Some of the security types that the District is authorized to invest in include obligations of the U.S. Treasury with maturity dates not more than 10 years from the date of purchase; obligations of U.S. agencies with maturity dates not more than 10 years from the date of purchase; commercial paper rated A-1, P-1, or better with maturities not exceeding 270 days and investments in commercial paper do not exceed 25 percent of the total portfolio; negotiable certificates of deposit rated "A-1" by Standard & Poor's or "P-1" for deposits by Moody's or comparably rated by a nationally recognized rating agency; non-negotiable certificates of deposit insured by an instrumentality of the United States; obligations of Nevada local governments; money market funds rated AAA; and the Nevada Local Government Investment Pool. The Nevada Local Government Investment Pool is an unrated external investment pool administered by the State Treasurer with oversight by the State of Nevada Board of Finance. The value of the District's investment in the pool is the same as its proportionate share of the pool's fair value. For more information on investments, see Note 4.

Pension assets (Note 17) are comprised of equity and bond funds, a real asset income fund (real assets), insurance contracts, pooled accounts, and a money market account. The equity and bond funds, real assets and the money market account are stated at fair value, measured by underlying market value as reported by the managing institutions. Investments in the insurance contracts and pooled accounts are stated at contract value as determined by insurance companies according to the terms of the contracts. Excluded from pension assets are annuities purchased for retired employees or their beneficiaries from an insurance company with a financial strength rating of A++ by A.M. Best rating company.

OPEB Plan assets (Note 16) are held in trust and consist of a money market account and investments in the Nevada Retirement Benefits Investment Fund (RBIF). The Nevada Legislature established the RBIF with an effective date of July 1, 2007. The purpose of the RBIF is to invest contributions made by participating entities such as the District, as defined in Section 355.220 of the NRS, to enable such entities to support financing of other postemployment benefits at some time in the future. The value of the District's investment in the RBIF is the same as its proportionate share of the pool's fair value.

Inventories

Inventories of supplies are recorded at cost, whereas inventories held for resale are recorded at lower of cost or market based on periodic reviews. Reduction of inventory is recorded using the weighted average cost method. For more information on inventories, see Note 6.

Restricted Assets

Restricted assets include amounts due from the Southern Nevada Water Authority (SNWA) for the repayment of the District's notes and bonds whose proceeds were delivered to the SNWA (for more information, see Note 10). Restricted assets also include certain resources set aside to repay bond debt in accordance with bond covenants. Further, the District has restricted investments for customer security deposits, sales tax and oversized mains. Oversized mains are constructed to meet estimated future demands on the District's distribution system. For more information on restricted assets, see Note 7. Unspent bond proceeds are also classified as restricted assets and are only used for capital expenditures. When both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

Capital Assets

Property, plant, and equipment is recorded at purchase or construction cost, except for certain facilities that were transferred to the District at approximate original cost less estimated accumulated depreciation. Developer donated facilities are recorded at engineering estimates of acquisition value at the time the assets are donated. Expenditures for improvements and betterments, including labor and indirect costs, are capitalized. The capitalization threshold is generally $10,000 and an estimated useful life of at least three years following the date of acquisition. Meters, service laterals, and pipelines are exceptions and are capitalized regardless of unit cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

Category	Estimated Useful Life in Years
Subscription assets	1 – 7
Transportation/Work/Equipment	3 – 10
Office Furniture and Equipment	5 – 10
Leases	3 – 20
Purification Equipment	15 – 25
Pumping Stations and Wells	11 – 30
Meters/Services	20 – 30
Collecting and Impounding Structures	10 – 50
Organization Costs and Improvements	20 – 50
Telemetering/Valves and Miscellaneous	10 – 75
Transmission/Distribution/Mains	50 – 75

For detailed tables on capital assets, see Note 8.

Leases

The District is a lessee for noncancellable leases of office space and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset in the statement of net position and recognizes lease liabilities with an initial, individual value of $10,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured at the initial amount of the lease liability,

adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the rate it uses to discount the expected lease payments to present value, (2) the lease term, and (3) the lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, an estimated incremental borrowing rate is used as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of payments fixed in substance, and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with current and long-term liabilities on the statement of net position.

The District is a lessor for noncancellable leases of land for the use of cell towers and recognizes a lease receivable and a deferred inflow of resources in the statement of net position.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is first measured at the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date. Consequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the District determines (1) the rate it uses to discount the expected lease payment receipts to present value, (2) the lease term, and (3) the lease payments. The District uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payment receipts included in the measurement of the lease receivable are composed of payments fixed in substance that the District is reasonably certain to receive.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. Lease receivables are reported with current and noncurrent assets and deferred inflows are reported with deferred inflows of resources on the statement of net position.

Subscription-Based Information Technology Arrangements

The District recognizes subscription-based information technology arrangements (SBITAs) greater than one year, and with a present value of the minimum payments greater than $100,000. SBITAs are recorded as a liability and an intangible right-to-use asset in the statement of net position.

At the commencement of the SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the lease term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured at the initial amount of the subscription liability, adjusted for subscriptions payments made at or before the subscription commencement date, plus capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life which matches the term of the subscription. Key estimates and judgments related to SBITAs are the same as those for leases.

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the

amount of the subscription liability. Subscription assets are reported with other capital assets and subscription liabilities are reported with current and long-term liabilities on the statement of net position.

Deferred Outflow of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time.

Customer Advances for Construction

The balance represents fees collected for future capital improvements. The fees may be refundable based on rules filed with statutory requirements.

Customer Deposits

Customers are required to submit deposits to the District in some instances to receive service. These deposits are refundable to customers on meeting certain conditions or in leaving the District's service area.

Accumulated Unpaid Employee Benefits

The District recognizes a liability for GASB Statement No. 101, *Compensated Absences*, for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed above, the District recognizes annual leave, sick leave and floating holidays as a qualified liability for compensated absences. The liability for compensated absences is reported as incurred in the financial statements and includes salary-related benefits.

The District’s policy permits employees to accumulate earned but unused annual leave benefits, which are eligible for payment at the employee’s current pay rate upon separation from employment.

The District’s policy permits employees to accumulate earned but unused sick leave. Unused sick leave is payable at different rates upon separation determined by length of service; therefore, it’s expected that the employees are more likely than not to either use their sick leave or receive a payout at separation. The District utilized the days used method to calculate the estimated value and it is included in the liability for compensated absences.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Operating Revenues and Expenses

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Operating revenues include revenues derived from water sales, water related activities and the Springs Preserve. Operating expenses include all expenses applicable to the furnishing of these services.

Included in operating revenues are regional connection fees, regional commodity charges and infrastructure charges. These revenues are collected on behalf of the SNWA and is offset against the related remittances to the SNWA. Any remaining balance is classified as an operating expense and adjusted in a following period. A provision of $2.3 million in fiscal year 2026 and $2.2 million in fiscal year 2025 to increase the allowance for uncollectible accounts was recorded as an offset to operating revenue. Operating expenses (and work-in-progress accounts) include allocations for indirect costs. These indirect costs include payroll taxes and employee benefits, which are initially charged to administrative and general expense accounts, but reported only in the

accounts to which they are allocated. Depreciation expense is reported separately from operating expenses, but it is a subcategory of operating expenses.

The District accrues for estimated unbilled revenues for water provided through the end of each year from the last reading of the meters, based on the billing cycle.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

Noncapital subsidies are defined as (a) resources received from another party or fund (1) for which the proprietary fund does not provide goods and services to the other party or fund and (2) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise; (b) resources provided to another party or fund (1) for which the other party or fund does not provide goods and services to the proprietary fund and (2) that are recoverable through the proprietary fund's current or future pricing policies; or (c) all other transfers.

Other nonoperating revenues and expenses include interest, investment and financing revenues and expenses, gain/loss on sale of capital assets and capital contributions.

Capital Contributions

Capital contributions are nonoperating contributions in cash to connect to the existing system and donations, or contributions in cash, services, or property from any person or governmental agency for the acquisition, relocation, improvement or construction of property, facilities, or equipment. Capital contributions also include shared sales tax revenue received from the State of Nevada. The sales tax proceeds received are statutorily restricted for construction purposes in a rural area. Sales tax proceeds received in fiscal year 2026 were $110,189 and in fiscal year 2025 were $86,596. No distinction is made between property acquired through capital contributions and property purchased from funds received through operating channels. Depreciation is recorded and the property is retired in the appropriate manner. For detail regarding capital contributions, see Note 14.

Net Position

Net position is displayed in three components:

- Net investment in capital assets. This component represents the District’s net position in its capital assets. It reflects the cost of capital assets, less accumulated depreciation and less the outstanding principal of related debt, excluding unspent proceeds.

- Restricted. This component reflects the carrying value of assets, less related liabilities, that are restricted by law or by other externally imposed restrictions, such as bond covenants. Assets that are restricted only because of District imposed limitations are not included in the calculation.

- Unrestricted. This component represents the remaining net position balance that is available to support District operations and capital asset acquisition/construction.

Legal Costs

The District does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such as period costs when services are rendered. For more information on legal costs, see Note 15.

Restatements

The District adopted GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for the fiscal year ended June 30, 2026 and retrospectively restated the period ended June 30, 2025. The impacts of the restatements are summarized in the following tables:

Schedule of Restatements to the Statement of Revenues, Expenses and Changes in Net Position

	As previously reported - Year Ended June 30, 2025	Adjustments	As restated - Year Ended June 30, 2025
Operating revenues			
Springs Preserve	$ 2,289,458	$ 576,998	$ 2,866,456
Lease revenues	—	2,558,215	2,558,215
Other	2,961,001	(85,065)	2,875,936
Total operating revenues	483,271,998	3,050,148	486,322,146
Operating income	79,195,674	3,050,148	82,245,822
Other nonoperating revenues (expenses)			
Interest expense	(40,396,964)	1,447,652	(38,949,312)
Interest and investment income, unrestricted	45,655,121	(80,784)	45,574,337
Interest and investment income, restricted	6,015,750	80,784	6,096,534
Gain on sale of assets	—	317,559	317,559
Capital contributions	—	61,803,792	61,803,792
Other	4,815,359	(4,815,359)	—
Total other nonoperating revenues (expenses)	25,706,347	58,753,644	84,459,991
Income before capital contributions	104,902,021	61,803,792	166,705,813
Capital contributions	61,803,792	(61,803,792)	—
Change in net position	$ 166,705,813	$ —	$ 166,705,813

Statement of Cash Flows

	As previously reported - Year Ended June 30, 2025	Adjustments	As restated - Year Ended June 30, 2025
Cash flows from operating activities:			
Cash received from customers	$ 484,723,275	$ 576,998	$ 485,300,273
Other cash receipts	6,487,785	(2,459,675)	4,028,110
Net cash provided by operating activities	181,139,538	(1,882,677)	179,256,861
Cash flows from capital and related financing activities:			
Proceeds from sale of property and equipment	496,850	435,024	931,874
Interest paid on debt	(38,921,662)	1,447,653	(37,474,009)
Net cash used by capital and related financing activities	(185,412,941)	1,882,677	(183,530,264)
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	79,195,674	3,050,148	82,245,822
Other	3,365,326	(4,932,825)	(1,567,499)
Net cash provided by operating activities	$ 181,139,538	$ (1,882,677)	$ 179,256,861

Reclassifications

Certain reclassifications have been made to the fiscal year 2025 basic financial statements to conform to the fiscal year 2026 presentation.

New Accounting Pronouncements

In April 2024, the 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. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. This statement was implemented for fiscal year ended June 30, 2026 and retrospectively presented for fiscal year ended June 30, 2025. The Statement of Revenues, Expenses and Changes in Net Position were updated to reflect the new format and classification of certain revenues and expenditures, and the Management and Discussion section updated by removing boilerplate and duplicate information to enhance readability.

In September 2024, the 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. The requirements for this Statement are effective for fiscal years beginning after June 15, 2025. This statement was implemented for fiscal year ended June 30, 2026 and retrospectively presented for fiscal year ended June 30, 2025.

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The statement defines subsequent events and clarifies the events that constitute recognized and nonrecognized events and establishes

specific note disclosure requirements for nonrecognized events. The requirements for this Statement are effective for fiscal years beginning after June 15, 2026. The District is currently evaluating how the adoption of Statement No. 105 will affect the District's financial position, results of operations, or cash flows.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The District's budget is adopted annually by its Board of Directors. According to NRS 354.596, the District must submit a tentative budget to the Nevada Department of Taxation on or before April 15 and provide notice of the budget's public hearing no more than 14, nor less than seven days, before the date set for the public hearing. Although not required, the District typically holds a budget workshop in April. The budget workshop is conducted in a public meeting which includes opportunity for public comment. The public hearing is typically held on the third Monday in May and is also a public meeting. NRS 354.598 requires that, subsequent to conducting the public hearing, the Board adopt a final budget for the District and transmit it to the Nevada Department of Taxation no later than June 1. The final budget's appropriations lapse at the end of the budget's fiscal year.

NRS 354.626 generally prohibits expenditures in excess of appropriations at the function level, which is the legal level of budgetary control. Budget transfers are reviewed by the Finance Department. Augmentations to increase total appropriations are accomplished by formal Board action. The District did not exceed its authorized appropriations in the fiscal year ended June 30, 2026 and 2025. For a comparison of the results of financial activities to the final budget, see the Supplementary Information section directly following the notes to the basic financial statements.

NOTE 3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of currency on hand, demand deposit accounts, and highly liquid investments containing both restricted and unrestricted cash. Cash balances as of June 30, 2026 and 2025, were $51.3 million and $56.4 million, respectively. The District's bank balances as of June 30, 2026 and 2025, were $53.0 million and $60.5 million, respectively.

On July 22, 2003, the Nevada State Assembly approved an amendment to NRS 356.020 establishing a Nevada State Treasurer’s Pooled Collateral Program for local governments. The primary objective of the collateral pool is to reduce the risk for government agencies, while at the same time, decrease the overall collateral requirement for depositories. By centralizing the administration and reporting functions through the State Treasurer’s Office, both government agencies and depositories realize cost savings in terms of operational support and collateral efficiency. The bank utilized by the District participates in the pool by pledging securities for the District's monies on deposit. The collateral pool for public fund deposits administered and monitored by the Nevada State Treasurer’s Pooled Collateral Office requires depository banks to place acceptable securities of no less than 102 percent of the fair value of the aggregate total deposits of public entities in Nevada with a third-party custodian.

Included in the District's cash balance is restricted cash for LVVWD CI as of June 30, 2026 and 2025 of $8.3 million and $6.1 million, respectively. The bank balance for LVVWD CI at June 30, 2026 and 2025 was $8.3 million and $6.1 million, respectively. This amount is not covered by the collateral pool for public fund deposits.

NOTE 4. ENTERPRISE FUND INVESTMENTS

The District has an excess benefit plan that provides supplemental retirement income benefits in excess of the benefit limits imposed by the maximum annual benefit limitation of Internal Revenue Code (IRC) Section 415 and the maximum compensation limit in IRC Section 401(a)(17). The excess benefit plan trust was established in May 2018 and had one eligible participant currently receiving benefits as of June 30, 2026 and 2025. The excess benefit plan's investments totaled $1.2 million as of June 30, 2026 and $0.9 million as of June 30, 2025 and are invested in an equity securities fund and a fixed income securities fund which are included as part of the District's total investments.

The District's investments were as follows:

	Estimated Fair Value	
Investment Type	June 30, 2026	June 30, 2025
Corporate bonds	$ 171,504,755	$ 127,405,114
U.S. agency bonds	163,495,000	228,467,539
U.S. treasury notes	158,449,944	178,889,499
Mortgage Backed Securities	107,683,470	50,850,025
Asset-backed securities	101,065,408	126,286,144
Commercial paper	61,292,389	44,909,850
Supranational obligations	48,580,500	53,778,350
Local Government Investment Pool	21,321,523	15,023,761
Equity securities fund	699,819	527,671
Fixed income securities fund	458,282	355,709
Total investments excluding bank non-negotiated CDs	834,551,090	826,493,662
Non-negotiable CDs	671,000	444,000
Total investments including bank non-negotiated CDs	$ 835,222,090	$ 826,937,662

The District's investments included Federal Deposit Insurance Corporation (FDIC) insured non-negotiable CDs. Because GASB Statement No. 40 considers non-negotiable CDs as bank deposits rather than investments, they are excluded from the remaining disclosures in this footnote.

Credit Risk

Credit risk is the risk to an investor that an issuer will default in the payment of interest and/or principal on a security. The District manages exposure to credit risk by limiting investments to those security types and credit quality thresholds authorized under NRS 355, and by diversifying its portfolio across multiple asset classes and sectors.

As of June 30, 2026, the District's investment ratings and estimated fair values were as follows:

Investment Type	S&P	Moody's	Fair Value
U.S. agency bonds	AA+	Aa1	$ 133,532,900
Mortgage backed securities	AA+	Aa1	107,683,470
Asset-backed securities	AAA	Unrated	65,909,608
Commercial paper	A-1	P-1	61,292,389
Supranational obligations	AAA	Aaa	48,580,500
Corporate bonds	A+	Aa3	36,447,330
Asset-backed securities	AAA	Aaa	30,193,500
U.S. agency bonds	Unrated	Unrated	29,962,100
Local Government Investment Pool	Unrated	Unrated	21,321,523
Corporate bonds	AA-	Aa3	20,215,830
Corporate bonds	A+	A1	20,011,500
Corporate bonds	AA+	Aa1	19,953,900
Corporate bonds	A	A2	13,332,186
Corporate bonds	AA+	Aa3	13,156,650
Corporate bonds	A	Aa3	11,114,775
Corporate bonds	A	A1	10,125,200
Corporate bonds	AA-	Aa2	6,198,922
Corporate bonds	A+	Aa2	6,026,100
Corporate bonds	AA-	A1	5,053,100
Asset-backed securities	Unrated	Aaa	4,962,300
Corporate bonds	A-	A2	4,940,200
Corporate bonds	AA	Aa1	4,929,062
Equity securities fund	Unrated	Unrated	699,819
Fixed income securities fund	Unrated	Unrated	458,282
Total investments excluding U.S treasury notes			$ 676,101,146

As of June 30, 2025, the District's investment ratings and estimated fair values were as follows:

Investment Type	S&P	Moody's	Fair Value
U.S. agency bonds	AA+	Aa1	$ 198,462,789
Asset-backed securities	AAA	Unrated	95,841,844
Supranational obligations	AAA	Aaa	53,778,350
Mortgage backed securities	AA+	Aa1	50,850,025
Asset-backed securities	AAA	Aaa	30,444,300
U.S. agency bonds	Unrated	Unrated	30,004,750
Commercial paper	Unrated	P-1	24,931,250
Corporate bonds	A+	A1	20,173,000
Corporate bonds	A	A1	20,033,600
Commercial paper	A-1	P-1	19,978,600
Corporate bonds	AA+	Aa1	17,122,748
Local Government Investment Pool	Unrated	Unrated	15,023,761
Corporate bonds	A	Aa3	10,906,988
Corporate bonds	A	A2	10,096,700
Corporate bonds	AA	A1	8,845,300
Corporate bonds	A+	Aa3	7,196,640
Corporate bonds	AA-	Aa2	6,267,718
Corporate bonds	A+	Aa2	6,086,520
Corporate bonds	AA-	Aa3	5,799,000
Corporate bonds	AA-	A1	5,123,900
Corporate bonds	AA+	Aaa	4,893,900
Corporate bonds	A-	A2	4,859,100
Equity securities fund	Unrated	Unrated	527,671
Fixed income securities fund	Unrated	Unrated	355,709
Total investments excluding U.S treasury notes			$ 647,604,163

Concentration of Credit Risk

Concentration of credit risk for investments is the risk of loss attributable to the magnitude of an investment in a single issuer. In order to manage exposure to concentration of credit risk, the District's investment policy limits the amount that can be invested to a single issuer as prescribed under NRS 355.

As of June 30, 2026, the following investments individually comprise five percent or more of the District's total investment portfolio (excluding the pension and other postemployment benefit plan investments):

Issuer	Investment Type	Percentage of Investments
Federal Farm Credit Bank	U.S. agency bonds	12%
Federal National Mortgage Association	U.S. agency bonds	10

As of June 30, 2025, the following investments individually comprise five percent or more of the District's total investment portfolio (excluding the pension and other postemployment benefit plan investments):

Issuer	Investment Type	Percentage of Investments
Federal Farm Credit Bank	U.S. agency bonds	14%
Federal National Mortgage Association	U.S. agency bonds	8

Interest Rate Risk

Interest rate risk is the risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value. Duration of the investment held is a measure of interest rate risk. As a means of limiting its exposure to fair value losses due to rising interest rates, the District's investment policy limits its investments maturities to no more than ten years.

As of June 30, 2026, the District's investments were as follows:

Investment Type		Fair Value	Weighted Average Maturity (Days)
U.S. agency bonds	$	163,495,000	702
U.S. treasury notes		158,449,944	531
Corporate bonds		171,504,755	1,061
Asset-backed securities		101,065,408	1,300
Supranational obligations		48,580,500	808
Mortgage backed securities		107,683,470	1,373
Commercial paper		61,292,389	73
Local Government Investment Pool		21,321,523	43
Total fair value	$	833,392,989	
Portfolio weighted average maturity			846

Excess Benefit Plan Investment Type		Fair Value	Weighted Average Maturity in Years
Equity securities fund	$	699,819	N/A
Fixed income securities fund		458,282	8.2
Total fair value	$	1,158,101	

As of June 30, 2025, the District's investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity (Days)
U.S. agency bonds	$ 228,467,539	807
U.S. treasury notes	178,889,499	746
Corporate bonds	127,405,114	1,027
Asset-backed securities	126,286,144	1,489
Supranational obligations	53,778,350	1,065
Mortgage backed securities	50,850,025	1,677
Commercial paper	44,909,850	18
Local Government Investment Pool	15,023,761	49
Total fair value	$ 825,610,282	
Portfolio weighted average maturity		946

Excess Benefit Plan Investment Type	Fair Value	Weighted Average Maturity in Years
Equity securities fund	$ 527,671	N/A
Fixed income securities fund	355,709	8.2
Total fair value	$ 883,380	

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the District deposits or collateral securities may not be returned to it. As of June 30, 2026 and 2025, the District does not have any investments exposed to custodial credit risk. Therefore, the District does not have an investment policy for custodial credit risk.

Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1. Inputs are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2. Inputs are other observable inputs.
- Level 3. Inputs are unobservable.

The fair value measurement level within the hierarchy is based on the lowest level of any input that is deemed significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The District's Level 1 investments were valued based on quoted market prices provided by recognized broker dealers and its Level 2 investments were valued by recognized broker dealers based on a matrix pricing model that maximizes the use of observable inputs for similar securities.

At June 30, 2026, the District had the following fair value classifications by investment level:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
U.S. agency bonds	$ 163,495,000	$ —	$ 163,495,000	$ —
U.S. treasury notes	158,449,944	158,449,944	—	—
Corporate bonds	171,504,755	—	171,504,755	—
Asset-backed securities	101,065,408	—	101,065,408	—
Supranational obligations	48,580,500	—	48,580,500	—
Mortgage backed securities	107,683,470	—	107,683,470	—
Commercial paper	61,292,389	—	61,292,389	—
Equity securities fund	699,819	699,819	—	—
Fixed income securities fund	458,282	458,282	—	—
Total investments	$ 813,229,567	$ 159,608,045	$ 653,621,522	$ —

At June 30, 2025, the District had the following fair value classifications by investment level:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
U.S. agency bonds	$ 228,467,539	$ —	$ 228,467,539	$ —
U.S. treasury notes	178,889,499	178,889,499	—	—
Corporate bonds	127,405,114	—	127,405,114	—
Asset-backed securities	126,286,144	—	126,286,144	—
Supranational obligations	53,778,350	—	53,778,350	—
Mortgage backed securities	50,850,025	—	50,850,025	—
Commercial paper	44,909,850	—	44,909,850	—
Equity securities fund	527,671	527,671	—	—
Fixed income securities fund	355,709	355,709	—	—
Total investments	$ 811,469,901	$ 179,772,879	$ 631,697,022	$ —

NOTE 5. RECEIVABLES

Accounts receivable includes water accounts receivable and other accounts receivable as shown below. The net accounts receivable balance at June 30, 2026 and 2025, is expected to be collected within one year.

	2026	2025
Water accounts receivable:		
Outstanding billings	$ 60,596,406	$ 56,638,020
Unbilled water revenue	32,322,811	32,276,180
Allowance for doubtful collection	(2,202,340)	(2,076,094)
Water accounts receivable, net	90,716,877	86,838,106
Other accounts receivable:		
Other	4,755,699	3,613,878
Allowance for doubtful collection	(454,106)	(391,188)
Other accounts receivable, net	4,301,593	3,222,690
Total accounts receivable, net	$ 95,018,470	$ 90,060,796

Lease Receivable

The District, as a lessor, has entered into five lease agreements involving land for cell tower locations and building space. As of June 30, 2026 and 2025, the lease receivable was $1.1 million and $1.2 million, respectively. The leases have interest rates between 1.3 percent and 2.6 percent, and an estimated life of 3 to 20 years. The District recognized $0.2 million of lease revenue, $19,284 of interest revenue, and no variable payments revenue related to these leases for the fiscal year ended June 30, 2026. For the fiscal year ended June 30, 2025, the District recognized $0.2 million of lease revenue, $16,935 of interest revenue and no variable payment revenue.

The District's future lease income under lease agreements are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2027	$ 167,023	$ 16,059	$ 183,082
2028	173,716	12,746	186,462
2029	108,874	10,257	119,131
2030	114,141	8,578	122,719
2031	119,564	6,819	126,383
2032-2035	383,828	11,513	395,341
Total lease income	$ 1,067,146	$ 65,972	$ 1,133,118

NOTE 6. INVENTORIES AND PREPAID EXPENSES

The following items are included in inventories and prepaid expenses as of June 30, 2026 and 2025:

	2026	2025
Inventory	$ 15,704,685	$ 13,761,967
Prepaid service agreements	1,986,005	1,585,711
Other prepaid expenses	154,582	690,427
Total inventories and prepaid expenses	$ 17,845,272	$ 16,038,105

NOTE 7. RESTRICTED ITEMS

Restricted Cash

At June 30, 2026 and 2025, the restricted cash balance was $8.3 million and $6.1 million, respectively. The restricted cash balance is held at LVVWD CI.

Restricted Investments

At June 30, 2026 and 2025, the balances of the restricted investment accounts were as follows:

Current	2026	2025
Customer guarantee deposits	$ 26,227,892	$ 26,166,774
Sinking fund debt service	11,912,317	13,637,167
Workers comp - State of Nevada	671,000	444,000
Total current restricted investments	$ 38,811,209	$ 40,247,941

Noncurrent	2026	2025
Bond acquisition and construction	$ 16,593,336	$ 75,224,095
Oversizing account	8,876,101	23,860,584
SNWA energy collateral	6,000,000	6,000,000
Total noncurrent restricted investments	$ 31,469,437	$ 105,084,679

NOTE 8. CAPITAL ASSETS

The following tables summarize changes in major categories of capital assets for the year ended June 30, 2026 and 2025.

	For the Fiscal Year Ended June 30, 2026			
	Balance June 30, 2025	Increases	Decreases	Balance June 30, 2026
Capital assets, not depreciated				
Construction in progress	$ 182,638,958	$ 95,619,768	$ (129,533,848)	$ 148,724,878
Land and land rights	54,030,578	2,427,493	—	56,458,071
Total capital assets, not depreciated	236,669,536	98,047,261	(129,533,848)	205,182,949
Capital assets, depreciated and amortized				
Collecting and impounding structures	1,075,160,420	13,899,357	(98,366)	1,088,961,411
Pumping stations and wells	359,950,103	75,202,704	(273,029)	434,879,778
Purification equipment	1,067,341	—	(12,382)	1,054,959
Transmission/distribution/mains	1,257,481,431	18,490,408	—	1,275,971,839
Telemetering/valves and miscellaneous	88,819,699	2,730,698	(1,388,221)	90,162,176
Meters/services	706,714,260	20,307,931	(9,451,971)	717,570,220
Office furniture and equipment	42,539,760	1,974,138	(725,215)	43,788,683
Transportation/work/equipment	72,979,409	6,800,333	(2,376,383)	77,403,359
Leases				
Buildings	10,919,378	—	—	10,919,378
Equipment	4,561,482	280,802	(79,351)	4,762,933
Subscription assets	32,215,981	41,592,183	(7,973,365)	65,834,799
Total capital assets, depreciated and amortized (property, plant and equipment)	3,652,409,264	181,278,554	(22,378,283)	3,811,309,535
Accumulated depreciation and amortization				
Collecting and impounding structures	727,239,702	31,565,688	(98,366)	758,707,024
Pumping stations and wells	274,314,875	10,595,626	(273,029)	284,637,472
Purification equipment	830,282	15,256	(12,382)	833,156
Transmission/distribution/mains	356,877,805	17,025,632	—	373,903,437
Telemetering/valves and miscellaneous	28,404,393	1,800,286	(1,388,221)	28,816,458
Meters/services	437,219,992	22,885,823	(8,825,218)	451,280,597
Office furniture and equipment	35,617,380	2,689,492	(725,215)	37,581,657
Transportation/work/equipment	59,909,026	6,241,833	(2,376,383)	63,774,476
Leases				
Buildings	7,618,165	1,523,633	—	9,141,798
Equipment	1,547,111	906,225	(79,351)	2,373,985
Subscription assets	15,127,270	9,885,410	(7,889,084)	17,123,596
Total accumulated depreciation and amortization	1,944,706,001	105,134,904	(21,667,249)	2,028,173,656
Total capital assets, net	$ 1,944,372,799	$ 174,190,911	$ (130,244,882)	$ 1,988,318,828

	For the Fiscal Year Ended June 30, 2025			
	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets, not depreciated				
Construction in progress	$ 185,271,255	$ 115,351,150	$ (117,983,447)	$ 182,638,958
Land and land rights	52,491,604	1,538,974	—	54,030,578
Total capital assets, not depreciated	237,762,859	116,890,124	(117,983,447)	236,669,536
Capital assets, depreciated and amortized				
Collecting and impounding structures	1,023,610,566	51,557,441	(7,587)	1,075,160,420
Pumping stations and wells	357,391,145	2,558,958	—	359,950,103
Purification equipment	1,067,341	—	—	1,067,341
Transmission/distribution/mains	1,198,210,989	60,293,234	(1,022,792)	1,257,481,431
Telemetering/valves and miscellaneous	85,152,444	3,667,255	—	88,819,699
Meters/services	685,866,693	21,479,692	(632,125)	706,714,260
Office furniture and equipment	37,297,345	5,436,288	(193,873)	42,539,760
Transportation/work/equipment	67,379,064	7,687,135	(2,086,790)	72,979,409
Leases				
Buildings	10,919,378	—	—	10,919,378
Equipment	1,574,212	2,987,270	—	4,561,482
Subscription assets	27,497,525	14,026,479	(9,308,023)	32,215,981
Total capital assets, depreciated and amortized (property, plant and equipment)	3,495,966,702	169,693,752	(13,251,190)	3,652,409,264
Accumulated depreciation and amortization				
Collecting and impounding structures	694,861,839	32,385,450	(7,587)	727,239,702
Pumping stations and wells	264,370,625	9,944,250	—	274,314,875
Purification equipment	815,026	15,256	—	830,282
Transmission/distribution/mains	340,725,399	16,592,903	(440,497)	356,877,805
Telemetering/valves and miscellaneous	26,688,492	1,715,901	—	28,404,393
Meters/services	415,205,279	22,614,817	(600,104)	437,219,992
Office furniture and equipment	33,895,855	1,915,398	(193,873)	35,617,380
Transportation/work/equipment	57,927,123	4,068,693	(2,086,790)	59,909,026
Leases				
Buildings	6,094,532	1,523,633	—	7,618,165
Equipment	658,875	888,236	—	1,547,111
Subscription assets	14,665,859	6,714,473	(6,253,062)	15,127,270
Total accumulated depreciation and amortization	1,855,908,904	98,379,010	(9,581,913)	1,944,706,001
Total capital assets, net	$ 1,877,820,657	$ 188,204,866	$ (121,652,724)	$ 1,944,372,799

NOTE 9. ACCOUNTS PAYABLE

Accounts payable includes all amounts payable by the District within one year not provided for in other accounts. At June 30, 2026 and 2025, accounts payable consists of the following:

	2026		
	SNWA	Other Vendors	Total Payables
Purchased water (SNWA)	$ 10,272,863	$ —	$ 10,272,863
Other SNWA expenses	29,421,897	—	29,421,897
Other expenses	3,420,438	32,439,901	35,860,339
Capital assets and contracts	—	11,275,540	11,275,540
Total	$ 43,115,198	$ 43,715,441	$ 86,830,639

	2025		
	SNWA	Other Vendors	Total Payables
Purchased water (SNWA)	$ 10,104,094	$ —	$ 10,104,094
Other SNWA expenses	22,130,440	—	22,130,440
Other expenses	199,882	29,700,143	29,900,025
Capital assets and contracts	—	12,037,119	12,037,119
Total	$ 32,434,416	$ 41,737,262	$ 74,171,678

NOTE 10. LONG-TERM DEBT

Authority to Issue Debt

The District's authority to issue debt is derived from the LAS VEGAS VALLEY WATER DISTRICT ACT, Chapter 167, Statutes of Nevada 1947 as amended and supplemented, and NRS Title 30 - PUBLIC BORROWINGS AND OBLIGATIONS, Chapter 348 'Registration of Public Securities' and Chapter 350 'Municipal Obligations'.

Debt Creation and Reporting

The District funds the majority of its capital expenditures with the proceeds of debt issuances. This is intended to align the beneficiaries of the long lived capital assets with those paying for them. The District generally issues debt to fund the next two or three years of estimated capital expenditures. This is intended to minimize the carrying costs of bond proceeds. The District may also fund capital expenditures on a pay-as-you-go basis with other available monies.

In compliance with NRS 350.013, the District submits a Debt Management Policy to the Nevada Department of Taxation annually. That required filing includes a discussion of the affordability of debt, debt capacity, and how debt will be repaid. The Debt Management Policy is also provided to Clark County and is available for review by various participants in the investor community and the general public. In addition, the Debt Management Policy is included in the District's annual Operating and Capital Budget document.

The District makes required continuing disclosures on the Municipal Securities Rulemaking Board's central repository, the Electronic Municipal Market Access (EMMA) website. Those disclosures include a variety of debt reporting.

Debt Covenants

The debt covenants are specific to each debt issuance and are identified in the *Official Statement* document of each bond issuance or loan agreement. As stated above, continuing disclosure requirements are available on the EMMA website. Management believes that the District has complied with all legal requirements, limitations, and restrictions imposed by debt covenants. After payment of the costs of operation, maintenance and general expenses of the District, excluding depreciation expense and including interest income on operating funds, the District is required to establish rates sufficient to provide annual "Revenues" equal to the average annual debt service, excluding bond debt additionally secured by pledged revenue of the SNWA. The District is required to maintain a bond service account to ensure payment of interest and principal when due. A transfer is made each month for each outstanding bond issue.

Bonds Additionally Secured by SNWA Pledged Revenue

As of June 30, 2026, the District had $1,912.4 million outstanding general obligation bonds additionally secured by pledged revenue of the SNWA. As of June 30, 2025, the District had $2,119.6 million outstanding general obligation bonds additionally secured by pledged revenue of the SNWA. The bond proceeds were delivered to the SNWA to finance water projects and to refund existing debt. The Master Bond Repayment Agreement as amended authorizes the District to issue bonds for the benefit of the SNWA and requires the SNWA to repay that debt. The receivable from the SNWA, as well as the liability for the bonds, is shown on the basic financial statements of the District. All of these bonds are issued on parity with other LVVWD bonds.

Direct Borrowings and Direct Placements

The District had no direct placements outstanding at June 30, 2026 and 2025. The District had direct borrowings with three State Revolving Fund (SRF) loans at June 30, 2026 and 2025. The District had no unused lines of credit at June 30, 2026 and 2025. The District does not have assets pledged as collateral. The District does not have terms specified in its debt agreements related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, or (3) subjective acceleration clauses.

In-Substance Defeasance of Debt

Occasionally debt is refunded, which is most often done for interest expense savings. Usually, the refunding debt is issued before the redemption date of the refunded debt. In those instances, proceeds from the refunding issuance are placed in an irrevocable trust to fund the remaining debt service on the refunded debt. When this occurs, neither the assets in the irrevocable trust nor the liabilities for those in-substance defeased debt are included in the District's financial statements. As of June 30, 2026 and 2025, the District had no bond issues with prior year in-substance defeased debt outstanding. Furthermore, in accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities,* any accounting gain or loss resulting from these transactions has been deferred and is being amortized over the life of the related debt.

Arbitrage Rebate Requirement

When investment earnings on bond proceeds exceed the cost of those bonds, there is an arbitrage gain. Federal law requires that arbitrage gains on tax-exempt bonds be rebated back to the United States Treasury. At June 30, 2026 and 2025, the District had no material arbitrage liability.

Build America Bonds

The LVVWD 2010A bonds were issued as Build America Bonds (BABs) as defined under the American Recovery and Reinvestment Act of 2009. Pursuant to that act, the United States Treasury Department refunds 35 percent of interest expense to the District. As a result of the federal budget cuts known as "sequestration", the federal subsidy payments for these bonds were reduced by 5.7 percent for the fiscal year 2026.

Current and Prior Year Debt Issuances

On March 4, 2026, the LVVWD issued the series 2026A refunding bonds on behalf of the SNWA in the original amount of $335.1 million with $46.0 million in premiums. Proceeds from the bonds were deposited into escrow to refund the remaining portions of the LVVWD 2016A bonds. The LVVWD 2026A refunding is comprised of serial bonds maturing on June 1 between 2027 and 2046. Interest will be paid semiannually on June 1 and December 1. The true interest cost is 3.58 percent. The aggregate difference in debt service between the refunding debt and the refunded debt is $70.6 million. The net present value of these savings as measured at closing were $51.5 million.

On March 4, 2026, the LVVWD issued the series 2026B refunding bonds in the original amount of $59.0 million with $8.5 million in premiums. Proceeds from the bonds were deposited into escrow to to refund the remaining portions of the LVVWD 2016B bonds. The LVVWD 2026B refunding is comprised of serial bonds maturing on June 1 between 2027 and 2036. Interest will be paid semiannually on June 1 and December 1. The true interest cost is 2.45 percent. The aggregate difference in debt service between the refunding debt and the refunded debt is $10.4 million. The net present value of these savings as measured at closing were $9.1 million.

On June 24, 2025, the LVVWD issued the LVVWD 2025A new money bond on behalf of the SNWA in the original amount of $394.4 million with $21.7 million of premiums. Proceeds from the bonds will be used by the SNWA to fund capital expenditures. The LVVWD 2025A bonds are comprised of serial bonds maturing annually on June 1 between 2029 and 2045 as well as term bonds maturing on June 1, 2050 and June 1, 2055. Interest will be paid semiannually on June 1 and December 1. The true interest cost is 4.68 percent.

On September 4, 2024, the LVVWD issued the series 2024A refunding bonds on behalf of the SNWA in the original amount of $286.3 million with $46.9 million in premiums. Proceeds from the bonds were deposited into escrow to refund the remaining portions of the LVVWD 2015 bonds. The LVVWD 2024A refunding is comprised of serial bonds maturing on June 1 between 2031 and 2039. Interest will be paid semiannually on June 1 and December 1. The true interest cost is 3.30 percent. The aggregate difference in debt service between the refunding debt and the refunded debt is $68.4 million. The net present value of these savings as measured at closing were $52.0 million.

The following is a summary of each of the long-term debt issues that were outstanding during the fiscal years ended June 30, 2026 and June 30, 2025:

Debt Issue	Description	Issue Date	Final Payment	Interest Rate	Original Issue Amount
LVVWD 2010A BAB	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Bonds, Series 2010A (Taxable Direct Pay Build America Bonds)	6/15/2010	3/1/2040	5.60% - 5.70%	$75,995,000
LVVWD 2014 SRF	State of Nevada, Drinking Water State Revolving Fund Loan Contract, Las Vegas Valley Water District, Contract DW1403	12/1/2014	7/1/2034	2.57%	$19,929,329
LVVWD 2015A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Refunding Bonds, Series 2015A	6/1/2015	6/1/2027	2.00% - 5.00%	$172,430,000
SNWA 2015B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2015B	6/1/2015	12/1/2027	4.00% - 5.00%	$177,635,000
SNWA 2015C	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2015C	6/18/2015	9/15/2029	3.00% - 5.00%	$42,125,000

Debt Issue	Description	Issue Date	Final Payment	Interest Rate	Original Issue Amount
SNWA 2016A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Improvement and Refunding Bonds, Series 2016A	4/6/2016	6/1/2046	3.00% - 5.00%	$497,785,000
LVVWD 2016B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Improvement and Refunding Bonds, Series 2016B	4/6/2016	6/1/2036	3.00% - 5.00%	$108,220,000
LVVWD 2016C SRF	State of Nevada, Drinking Water State Revolving Fund Loan Contract, Las Vegas Valley Water District, Contract DW1702	9/15/2016	7/1/2036	1.78%	$15,000,000
LVVWD 2017A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Refunding Bonds, Series 2017A	3/14/2017	2/1/2038	4.00% - 5.00%	$130,105,000
SNWA 2017B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2017B	3/14/2017	6/1/2032	3.00% - 5.00%	$22,115,000
LVVWD 2017 SRF	State of Nevada, Drinking Water State Revolving Fund Loan Contract, Las Vegas Valley Water District, Contract DW1709	5/3/2017	1/1/2037	2.41%	$15,000,000
LVVWD 2018A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Bonds, Series 2018A	6/26/2018	6/1/2048	3.00% - 5.00%	$100,000,000
SNWA 2018B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2018B	3/6/2018	6/1/2026	5.00%	$79,085,000
SNWA 2019A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2019A	3/13/2019	6/1/2039	5.00%	$107,975,000
SNWA 2019B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2019B	10/16/2019	6/1/2027	5.00%	$90,280,000
SNWA 2020A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2020A	3/3/2020	6/1/2034	3.00% - 5.00%	$123,860,000
LVVWD 2020B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Refunding Bonds, Series 2020B	3/3/2020	3/1/2038	2.00% - 5.00%	$22,240,000
LVVWD 2020C	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Bonds, Series 2020C	7/16/2020	6/1/2050	2.00% - 5.00%	$100,000,000
LVVWD 2020D	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Refunding Bonds, Series 2020D	4/1/2020	6/1/2036	2.00% - 5.00%	$98,080,000

Debt Issue	Description	Issue Date	Final Payment	Interest Rate	Original Issue Amount
SNWA 2021A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2021A	3/3/2021	6/1/2038	2.00% - 5.00%	$144,685,000
LVVWD 2021B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Refunding Bonds, Series 2021B	3/3/2021	6/1/2027	5.00%	$32,795,000
SNWA 2021C	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2021C	3/25/2021	6/1/2034	2.00% - 5.00%	$208,145,000
SNWA 2022A	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Improvement Bonds, Series 2022A	2/1/2022	6/1/2051	4.00% - 5.00%	$292,240,000
LVVWD 2022B	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Refunding Bonds, Series 2022B	3/3/2022	6/1/2032	5.00%	$31,495,000
SNWA 2022C	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2022C	3/3/2022	6/1/2042	4.00% - 5.00%	$253,820,000
LVVWD 2022D	Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Bonds, Series 2022D	6/29/2022	6/1/2052	4.00% - 5.00%	$70,555,000
LVVWD 2023A	Las Vegas Valley Water District, Nevada General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Bonds, Series 2023A	10/4/2023	6/1/2053	3.00% - 4.35%	$185,860,000
SNWA 2024A	Las Vegas Valley Water District, Nevada General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2024A	9/4/2024	6/1/2039	2.73% - 3.21%	$286,255,000
SNWA 2025A	Las Vegas Valley Water District, Nevada General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Improvement Bonds, Series 2025A	6/24/2025	6/1/2055	2.85% - 4.84%	$394,430,000
SNWA 2026A	Las Vegas Valley Water District, Nevada General Obligation (Limited Tax), (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2026A	3/4/2026	6/1/2046	2.06% - 4.05%	$335,060,000
LVVWD 2026B	Las Vegas Valley Water District, Nevada General Obligation (Limited Tax), (Additionally Secured by Pledged Revenues), Water Improvement Bonds, Series 2026B	3/4/2026	6/1/2036	2.06% - 2.70%	$59,020,000

The following schedule presents long-term debt activity in the fiscal year ended June 30, 2026:

Debt Issue	Balance at June 30, 2025	Additions	Reductions	Balance at June 30, 2026	Due Within One Year	Due After One Year
LVVWD 2014 SRF	$ 12,186,500	$ —	$ (1,148,072)	$ 11,038,428	$ 1,177,767	$ 9,860,661
LVVWD 2016C SRF	10,672,193	—	(844,122)	9,828,071	859,214	8,968,857
LVVWD 2017 SRF	10,922,592	—	(795,131)	10,127,461	814,409	9,313,052
Total direct borrowings	33,781,285	—	(2,787,325)	30,993,960	2,851,390	28,142,570
LVVWD 2010A BAB	75,995,000	—	—	75,995,000	—	75,995,000
LVVWD 2015A	29,105,000	—	(29,105,000)	—	—	—
LVVWD 2016B	72,045,000	—	(72,045,000)	—	—	—
LVVWD 2017A	97,300,000	—	(5,570,000)	91,730,000	5,850,000	85,880,000
LVVWD 2018A	86,115,000	—	(13,280,000)	72,835,000	—	72,835,000
LVVWD 2020B	17,760,000	—	(1,030,000)	16,730,000	1,085,000	15,645,000
LVVWD 2020C	90,130,000	—	(2,330,000)	87,800,000	2,445,000	85,355,000
LVVWD 2020D	75,080,000	—	(5,450,000)	69,630,000	5,725,000	63,905,000
LVVWD 2021B	12,010,000	—	(5,860,000)	6,150,000	6,150,000	—
LVVWD 2022B	31,495,000	—	—	31,495,000	—	31,495,000
LVVWD 2022D	66,840,000	—	(1,280,000)	65,560,000	1,345,000	64,215,000
LVVWD 2023A	185,860,000	—	—	185,860,000	3,400,000	182,460,000
LVVWD 2026B	—	59,020,000	—	59,020,000	4,690,000	54,330,000
Total bonds payable	839,735,000	59,020,000	(135,950,000)	762,805,000	30,690,000	732,115,000
Total long-term debt before unamortized premiums and discounts	873,516,285	59,020,000	(138,737,325)	793,798,960	33,541,390	760,257,570
Unamortized premiums	44,472,872	8,537,369	(13,771,309)	39,238,932	—	39,238,932
Unamortized discounts	(1,549,089)	—	95,945	(1,453,144)	—	(1,453,144)
Total unamortized premiums/(discounts)	42,923,783	8,537,369	(13,675,364)	37,785,788	—	37,785,788
Subtotal	916,440,068	67,557,369	(152,412,689)	831,584,748	33,541,390	798,043,358
SNWA 2015B	60,765,000	—	(60,765,000)	—	—	—
SNWA 2015C	13,820,000	—	(13,820,000)	—	—	—
SNWA 2016A	380,315,000	—	(380,315,000)	—	—	—
SNWA 2017B	11,165,000	—	(2,155,000)	9,010,000	2,270,000	6,740,000
SNWA 2018B	11,720,000	—	(11,720,000)	—	—	—
SNWA 2019A	91,560,000	—	(3,235,000)	88,325,000	3,400,000	84,925,000
SNWA 2019B	24,785,000	—	(18,470,000)	6,315,000	6,315,000	—
SNWA 2020A	88,755,000	—	(8,110,000)	80,645,000	8,515,000	72,130,000
SNWA 2021A	93,795,000	—	(14,350,000)	79,445,000	21,185,000	58,260,000
SNWA 2021C	156,950,000	—	(14,340,000)	142,610,000	15,060,000	127,550,000
SNWA 2022A	276,370,000	—	(5,825,000)	270,545,000	6,115,000	264,430,000
SNWA 2022C	228,925,000	—	(9,145,000)	219,780,000	9,600,000	210,180,000
SNWA 2024A	286,255,000	—	—	286,255,000	—	286,255,000
SNWA 2025A	394,430,000	—	—	394,430,000	—	394,430,000
SNWA 2026A	—	335,060,000	—	335,060,000	10,135,000	324,925,000
Total bonds payable, related party	2,119,610,000	335,060,000	(542,250,000)	1,912,420,000	82,595,000	1,829,825,000
Total long-term debt	$ 3,036,050,068	$402,617,369	$ (694,662,689)	$ 2,744,004,748	$ 116,136,390	$2,627,868,358

The following schedule presents long-term debt activity in the fiscal year ended June 30, 2025:

Debt Issue	Balance at June 30, 2024	Additions	Reductions	Balance at June 30, 2025	Due Within One Year	Due After One Year
LVVWD 2014 SRF	$ 13,305,626	$ —	$ (1,119,126)	$ 12,186,500	$ 1,148,072	$ 11,038,428
LVVWD 2016C SRF	11,501,487	—	(829,294)	10,672,193	844,122	9,828,071
LVVWD 2017 SRF	11,698,901	—	(776,309)	10,922,592	795,131	10,127,461
Total direct borrowings	36,506,014	—	(2,724,729)	33,781,285	2,787,325	30,993,960
LVVWD 2010A BAB	75,995,000	—	—	75,995,000	—	75,995,000
LVVWD 2015A	46,810,000	—	(17,705,000)	29,105,000	18,630,000	10,475,000
LVVWD 2016B	76,945,000	—	(4,900,000)	72,045,000	5,075,000	66,970,000
LVVWD 2017A	102,600,000	—	(5,300,000)	97,300,000	5,570,000	91,730,000
LVVWD 2018A	88,420,000	—	(2,305,000)	86,115,000	2,420,000	83,695,000
LVVWD 2020B	18,745,000	—	(985,000)	17,760,000	1,030,000	16,730,000
LVVWD 2020C	92,350,000	—	(2,220,000)	90,130,000	2,330,000	87,800,000
LVVWD 2020D	80,275,000	—	(5,195,000)	75,080,000	5,450,000	69,630,000
LVVWD 2021B	17,590,000	—	(5,580,000)	12,010,000	5,860,000	6,150,000
LVVWD 2022B	31,495,000	—	—	31,495,000	—	31,495,000
LVVWD 2022D	68,060,000	—	(1,220,000)	66,840,000	1,280,000	65,560,000
LVVWD 2023A	185,860,000	—	—	185,860,000	—	185,860,000
Total bonds payable	885,145,000	—	(45,410,000)	839,735,000	47,645,000	792,090,000
Total long-term debt before unamortized premiums and discounts	921,651,014	—	(48,134,729)	873,516,285	50,432,325	823,083,960
Unamortized premiums	53,433,300	—	(8,960,428)	44,472,872	—	44,472,872
Unamortized discounts	(1,642,659)	—	93,570	(1,549,089)	—	(1,549,089)
Total unamortized premiums/(discounts)	51,790,641	—	(8,866,858)	42,923,783	—	42,923,783
Subtotal	973,441,655	—	(57,001,587)	916,440,068	50,432,325	866,007,743
SNWA 2015	332,405,000	—	(332,405,000)	—	—	—
SNWA 2015B	76,445,000	—	(15,680,000)	60,765,000	25,040,000	35,725,000
SNWA 2015C	17,585,000	—	(3,765,000)	13,820,000	3,950,000	9,870,000
SNWA 2016A	389,915,000	—	(9,600,000)	380,315,000	1,610,000	378,705,000
SNWA 2017B	13,220,000	—	(2,055,000)	11,165,000	2,155,000	9,010,000
SNWA 2018B	22,845,000	—	(11,125,000)	11,720,000	11,720,000	—
SNWA 2019A	94,635,000	—	(3,075,000)	91,560,000	3,235,000	88,325,000
SNWA 2019B	42,375,000	—	(17,590,000)	24,785,000	18,470,000	6,315,000
SNWA 2020A	96,475,000	—	(7,720,000)	88,755,000	8,110,000	80,645,000
SNWA 2021A	107,465,000	—	(13,670,000)	93,795,000	14,350,000	79,445,000
SNWA 2021C	170,610,000	—	(13,660,000)	156,950,000	14,340,000	142,610,000
SNWA 2022A	281,920,000	—	(5,550,000)	276,370,000	5,825,000	270,545,000
SNWA 2022C	237,630,000	—	(8,705,000)	228,925,000	9,145,000	219,780,000
SNWA 2024A	—	286,255,000	—	286,255,000	—	286,255,000
SNWA 2025A	—	394,430,000	—	394,430,000	—	394,430,000
Total bonds payable, related party	1,883,525,000	680,685,000	(444,600,000)	2,119,610,000	117,950,000	2,001,660,000
Total long-term debt	$ 2,856,966,655	$680,685,000	$ (501,601,587)	$ 3,036,050,068	$ 168,382,325	$2,867,667,743

The District total debt service requirements to maturity are as follows:

Fiscal Years Ending June 30	Bonds [1]		Direct Borrowings and Direct Placements		
	Principal	Interest [2]	Principal	Interest	Total
2027	$ 113,285,000	$ 123,196,441	$ 2,851,390	$ 686,496	$ 240,019,327
2028	103,115,000	117,532,191	2,916,960	620,926	224,185,077
2029	115,515,000	112,359,161	2,984,073	553,814	231,412,048
2030	121,270,000	106,583,721	3,052,763	485,123	231,391,607
2031	115,635,000	100,539,661	3,123,069	414,817	219,712,547
2032-2036	704,485,000	413,405,909	14,520,215	988,313	1,133,399,437
2037-2041	636,930,000	257,890,333	1,545,490	23,287	896,389,110
2042-2046	409,065,000	138,299,588	—	—	547,364,588
2047-2051	231,915,000	63,675,000	—	—	295,590,000
2052-2056	124,010,000	14,919,350	—	—	138,929,350
Total debt service	$ 2,675,225,000	$ 1,448,401,355	$ 30,993,960	$ 3,772,776	$ 4,158,393,091

[1] Includes general obligation bonds that are additionally secured by pledged revenues and general obligation bonds that are additionally secured by SNWA pledged revenues (identified in the previous table as related party).

[2] Interest on the LVVWD 2010A BABs is shown gross, not reduced by anticipated federal subsidy.

Lease Obligations

The District, as a lessee, has seven lease agreements involving office space at Molasky Corporate Center from SNWA (see Note 12), office equipment and operating equipment. As of June 30, 2026 and 2025, the lease liability was $4.3 million and $6.4 million, respectively. The leases have interest rates between 0.8 percent and 3.1 percent, and an estimated life of 3 to 20 years. The District made $2.4 million of principal, $0.1 million of interest, and $0.1 million of variable payments related to these leases for the fiscal year ended June 30, 2026. For the fiscal year ended June 30, 2025, the District made $2.4 million of principal, $0.1 million of interest and $0.1 million of variable payments.

	Balance at June 30, 2025	Additions	Reductions	Balance at June 30, 2026	Due Within One Year	Due After One Year
Lease obligation	$ 6,410,162	$ 280,803	$ (2,427,502)	$ 4,263,463	$ 2,433,934	$ 1,829,529

	Balance at June 30, 2024	Additions	Reductions	Balance at June 30, 2025	Due Within One Year	Due After One Year
Lease obligation	$ 5,817,907	$ 2,987,270	$ (2,395,015)	$ 6,410,162	$ 2,362,071	$ 4,048,091

The District's total lease payments under lease agreements are as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2027	$ 2,433,934	$ 64,700	$ 2,498,634
2028	1,124,052	32,421	1,156,473
2029	696,974	9,018	705,992
2030	8,503	58	8,561
Total lease liability	$ 4,263,463	$ 106,197	$ 4,369,660

Subscription Obligations

The District, as a lessee, has entered into multiple SBITAs. As of June 30, 2026 and 2025, the SBITA obligation was $27.4 million and $13.0 million, respectively. The SBITAs have interest rates between 0.6 percent and 3.7 percent, and an estimated life of 1 to 7 years. The District made $7.3 million of principal, $0.5 million of interest, and $0.3 million of variable payments related to these SBITAs for the fiscal year ended June 30, 2026. For the fiscal year ended June 30, 2025, the District made $7.2 million of principal, $0.2 million of interest and $0.3 million of variable payments.

	Balance at June 30, 2025	Additions	Reductions	Balance at June 30, 2026	Due Within One Year	Due After One Year
Subscription obligations	$ 13,030,495	$ 21,754,463	$ (7,425,240)	$ 27,359,718	$ 8,045,323	$ 19,314,395

	Balance at June 30, 2024	Additions	Reductions	Balance at June 30, 2025	Due Within One Year	Due After One Year
Subscription obligations	$ 10,850,689	$ 12,599,127	$ (10,419,321)	$ 13,030,495	$ 3,913,658	$ 9,116,837

The District's total SBITA payments are as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2027	$ 8,045,323	$ 561,937	$ 8,607,260
2028	6,632,915	384,736	7,017,651
2029	4,403,014	262,600	4,665,614
2030	4,165,760	156,643	4,322,403
2031	1,765,683	81,681	1,847,364
2032-2036	2,347,023	54,854	2,401,877
Total subscription obligations	$ 27,359,718	$ 1,502,451	$ 28,862,169

NOTE 11. UNEARNED REVENUE

The following table provides information on the components of unearned revenue for the fiscal years ending June 30, 2026 and 2025:

	2026	2025
Jointly-funded projects	$ 8,606,036	$ 7,023,354
Prepaid meters/AMRs	875,953	865,224
Developer and other advances	262,752	293,664
Facilities charges	143,546	153,162
Oversizing charges	26,010	27,260
Total	$ 9,914,297	$ 8,362,664

The District has received funds from SNWA for jointly-funded projects where GASB 96 accounting treatment is applicable. During the implementation phase, SNWA paid 50 percent of the expenses as they were incurred. The subscription assets remain entirely in the District's general ledger. Post implementation, the District recognizes revenues over the term of the subscription assets. Although the subscription assets are recorded solely by the

District, both the District and SNWA benefit from the use and functionality of the subscription-based information technology arrangements associated with these jointly funded projects.

Developers frequently pay the District in advance for water meters and automatic meter reading devices (AMRs) that they pick up at a later time from the District warehouse. Prepaid water meters and AMRs are classified as unearned revenue. The prepaid meters/AMRs balance totaled $0.9 million at June 30, 2026 and June 30, 2025.

In prior fiscal years, the District received $1 million in payments from a developer to partially offset the District's future cost of maintaining and operating a small pump station constructed at the developers expense to serve the developer's property. The developer also agreed to pay the District a monthly operating and maintenance assessment until January 1, 2036. The $1 million was originally recorded as unearned revenue and is being amortized $30,912 annually as an offset to operating expenses through January 1, 2036. Other advances are also included with the developer advance and classified as unearned revenue.

Based on estimated probable future refunds, the District classified facilities and oversizing charges as unearned revenue. The facilities charges balance totaled $0.1 million and $0.2 million at June 30, 2026 and June 30, 2025, respectively. The oversizing charges balance totaled $26,010 at June 30, 2026 and $27,260 at June 30, 2025.

NOTE 12. RELATED PARTIES

Southern Nevada Water Authority (SNWA)

The SNWA is a political subdivision of the State of Nevada created in 1991 by a cooperative agreement among the District, the Big Bend Water District, the City of Boulder City, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, and the Clark County Water Reclamation District (member agencies). The SNWA was created to secure additional supplies of water and effectively manage existing supplies of water on a regional basis through the cooperative action of the member agencies.

The SNWA is governed by a seven-member board of directors, comprised of one director from each member agency. The District is the operating agent for the SNWA; the General Manager of the District is the General Manager of the SNWA, and the Chief Financial Officer for the District is the Chief Financial Officer of the SNWA. By GASB definition, the SNWA is a joint venture. The District is confident that the amounts related to debt secured by SNWA pledged revenue (Note 10) are collectible.

The SNWA has the power to periodically assess the member agencies directly for operating and capital costs and for the satisfaction of any liabilities imposed against the SNWA. The District and other members do not have an express claim to the resources of the SNWA except that upon termination of the joint venture any assets remaining after payment of all obligations shall be returned to the contributing member agencies.

In 1995, agreements were approved for the repayment of the cost of an additional expansion of the Southern Nevada Water System (SNWS). The agreements require contributions from purveyor members, including the District, benefiting from the expansion. In 1996, the District’s Board approved the collection from District customers and remittance to the SNWA a regional connection charge, regional commodity charge and regional reliability surcharge to fund these contributions. In March 2012, a regional infrastructure charge based upon meter size was approved, which has been modified since that time to account for changing conditions.

These revenues are collected on behalf of the SNWA and is offset against the related remittances to the SNWA. Any remaining balance is classified as an operating expense and adjusted in a following period. The table below shows the SNWA regional charges collected for and remitted to the SNWA for fiscal years ended June 30, 2026 and 2025:

	2026	2025
Regional infrastructure charges	$ 163,753,651	$ 155,482,561
Regional connection charges, net of refunds	62,426,153	53,793,845
Regional commodity charges	64,074,785	61,650,355
Regional reliability surcharges	5,191,169	5,077,597
Total	$ 295,445,758	$ 276,004,358

Besides being a member of the SNWA, the District is its operating agent. Beginning in fiscal year 2009, the SNWA advanced funds to the District for expenditures to be made on its behalf. The District credits the SNWA interest on the monthly average advance balance at the District's current investment earnings rate. The SNWA owed the District $17.2 million at June 30, 2026 and $13.4 million at June 30, 2025 for expenditures made on its behalf in excess of the advanced funds, which the District recorded as a current receivable.

The District has allocated to and recorded $28.1 million at June 30, 2026 and $65.9 million at June 30, 2025 as a noncurrent receivable from the SNWA for net pension liability (Note 17) for District employees devoted to SNWA operations. The District has recorded a reduction of $2.4 million to noncurrent receivable from SNWA for postemployment benefits other than pension (Note 16) at June 30, 2026, reflecting the plan's fiduciary net position funded at 115.22% of the total OPEB liability. For the fiscal year ended June 30, 2025, $0.6 million was allocated to and recorded as a noncurrent receivable. The District is confident that the amounts are collectible.

The District entered into a sublease agreement with the SNWA for office space and parking within Molasky Corporate Center for a term of no longer than 20 years, commencing September 1, 2007. In December 2007, the SNWA purchased part of the premises subleased to the District, and in December 2015, the SNWA purchased the remainder of the premises subject to the sublease. The sublease was converted to a direct lease from the SNWA to the District on the same material terms and conditions as the sublease. The lease agreement may be terminated by the SNWA if breached by the District. Unilateral termination by the District is not prohibited.

The lease agreement provides for the District to lease approximately 35,000 square feet of office space with an option to lease up to an additional 16,000 square feet. The District did occupy the approximate 35,000 square feet of office space for a total cost of $1.6 million in fiscal years ended 2026 and 2025.

The lease agreement contains provisions for contingent rentals, which are amounts that are dependent upon some factor other than the passage of time. The District had no contingent rental expenditures in fiscal years 2026 and 2025. The District is responsible for paying $11,000 monthly, for the amortized value of tenant improvements during the time that the improved space is occupied by the District. The District is required to pay $130 per parking space per month to the SNWA, and should the SNWA assign designated (exclusive) parking spaces to the District, the District will pay to the SNWA an additional $75 per space per month for each such parking space designated.

The District must comply with all applicable provisions of the lease. Further, the District shall not enter into any assignments or subleases of the premises without the written consent of the SNWA. As of July 1, 2021, the lease has been accounted for in compliance with GASB Statement No. 87, *Leases*. See Note 10.

The SNWA's current fiscal year Annual Report is available at www.snwa.com. Also, requests for current and prior fiscal year Annual Reports can be directed to the following address:

Chief Financial Officer
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, NV 89153

Southern Nevada Water System (SNWS)

The District operates for the SNWA the SNWS, a regional system consisting of water treatment plants, and pumping and distribution facilities that supply water to the water purveyors in Southern Nevada.

During fiscal year 2026, the District billed the SNWA $206.4 million for expenditures made on behalf of the SNWA. During fiscal year 2025, the District billed the SNWA $189.5 million for expenditures made on behalf of the SNWA. The SNWA, in turn, billed the District for water deliveries from the SNWS computed at a flat rate per acre-foot of water delivered (wholesale delivery charge). The District records the wholesale delivery charge as a component of purchased water expense which was $112.6 million and $114.9 million for the fiscal year ended June 30, 2026 and 2025, respectively.

Springs Preserve

In 1998, the District entered into a partnership with the Las Vegas Springs Preserve Foundation, a tax-exempt charitable organization founded to provide funding for the Springs Preserve. The Springs Preserve is a cultural and historic attraction located on District property. The 180-acre national historic site is widely known as the “birthplace” of Las Vegas. The presence of an abundant water supply at the site was the original catalyst for the growth, development, and the resulting economic prosperity of the Las Vegas Valley. The Springs Preserve opened in June 2007.

Besides investing its own funds toward the Springs Preserve, the District has expended funds that have been or will be reimbursed by the State and by others through grants and gifts. The unreimbursed amount was $0.1 million and $0.4 million for the fiscal year ended June 30, 2026 and 2025, respectively.

Big Bend Water District

On September 2, 2008, the District became the operating agent for the Big Bend Water District (BBWD), located in Laughlin, Nevada, 95 miles south of Las Vegas. The BBWD is a general improvement district and a political subdivision of the State of Nevada. It is also a member agency of the SNWA. The BBWD is governed by a seven-member Board of Trustees whose members also serve as the Board of Clark County Commissioners.

The District has recorded $2.4 million at June 30, 2026 as a current receivable from the BBWD related to expenditures made on its behalf. The amount recorded as current receivable from the BBWD at June 30, 2025, was $2.8 million related to $2.6 million for expenditures made on its behalf, and $0.2 million billed to the BBWD for their proportionate share of contributions to the OPEB Trust.

The District has allocated to and recorded $0.5 million at June 30, 2026 and $1.1 million at June 30, 2025 as a noncurrent receivable from the BBWD for net pension liability (Note 17) for District employees devoted to BBWD operations. The District has allocated to and recorded a reduction to noncurrent receivable from BBWD for postemployment benefits other than pension (Note 16) of $41,085 at June 30, 2026 due to the plan's fiduciary net position funded at 115.22% of the total OPEB liability. For the fiscal year ended June 30, 2025, $9,464 was allocated to and recorded as a noncurrent receivable. The District is confident that the amounts are collectible.

NOTE 13. RISK MANAGEMENT

The District is exposed to a variety of risks that may result in losses. These risks include possible losses related to torts; theft of, damage, or destruction of assets; extra expense; errors and omissions; job-related illnesses or injuries to employees; product liability claims; and natural disasters. The District manages these risks through a multifaceted approach, which includes transfer, elimination, avoidance, reduction, and/or assumption of risk of loss.

The District purchases insurance from the commercial insurance market on real and personal property, including earthquake and flood, with common policy restrictions covering direct physical loss of, or damage to, buildings, fixtures, equipment, boilers, machinery, and supplies. The blanket limit of liability under the property insurance program is $600 million with a deductible of $1 million for all locations except earthquake and flood, which have limits of $100 million and $50 million, respectively. The District purchases terrorism insurance for all locations with a blanket limit of $200 million for all terrorist acts with a $1 million deductible. The District also purchases a variety of additional smaller insurance policies to meet operational needs and risk thresholds.

The District self-insures the first $1 million of property, automobile, general liability, public officials and employment practices liability exposure, the first $750,000 of workers compensation claims, the first $250,000 in pollution liability claims, and the first $150,000 in cyber liability claims through a captive (LVVWD CI). The District purchases excess commercial general liability insurance in the amount of $20 million. Employee fidelity insurance in the amount of $3 million and other miscellaneous coverage are also purchased. For the fiscal year ended June 30, 2026, the District had no significant reductions in insurance coverage from the prior two fiscal years.

In contracts, the District obtains indemnification and hold-harmless agreements. These agreements usually require that contractors name the District as an additional insured under the indemnitor's insurance coverage. The District's insurance portfolio includes course of construction insurance providing coverage up to $25 million annual aggregate for projects up to $15 million. The course of construction insurance included in the District's property insurance policy is in addition to requirements for contractors to provide builders risk insurance when contracting with the District.

GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,* requires that, for retained risks, a liability for claims be reported if information available prior to issuance of the financial statements indicates 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. As of June 30, 2026 and 2025, the District has no significant retained risks and therefore has no accrued liability for retained risks. The amount of settlements did not exceed insurance coverage for each of the past three years. In addition, there are also situations in which incidents occur before the balance sheet date, but claims are not reported or asserted when the financial statements are prepared. These incurred but not reported claims have been estimated based upon the District's past experience and adjusted for current trends. A summary is provided in the table below.

During fiscal years 2026 and 2025, changes in the balance of claims for retained risks, reflected in accounts payable and other accrued liabilities, were as follows (rounded to the nearest thousand):

Fiscal Year	Beginning Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Ending Fiscal Year Liability
2026	$ 542,000	$ (89,000)	$ (254,000)	$ 199,000
2025	1,013,000	(279,000)	(192,000)	542,000
2024	1,556,000	(464,000)	(79,000)	1,013,000

NOTE 14. CAPITAL CONTRIBUTIONS

For the fiscal years ended June 30, 2026 and 2025, capital contributions, excluding unearned revenue, are as follows:

	2026	2025
Mains and services	$ 24,256,611	$ 35,970,280
Facilities connection charges, net of refunds	22,059,418	20,151,624
Oversizing charges, net of refunds	2,435,815	2,291,010
Developer and other contributions	7,629,680	1,526,969
Springs Preserve	1,019,444	1,435,560
Frontage connection charges	688,806	428,349
Total capital contributions	$ 58,089,774	$ 61,803,792

Probable future refunds have been estimated and recorded as a component of unearned revenue. For more information on unearned revenue, see Note 11.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Construction Contracts

At June 30, 2026 and 2025, commitments for unperformed work on outstanding contracts totaled $35.6 million and $39.0 million, respectively.

Forward Energy Contracts

The District and the SNWA actively manage a portfolio of energy resources. The agencies adhere to a strict set of energy risk management procedures established by a Risk Management Committee that serves to fulfill the Energy Risk Management Policy adopted by the SNWA's Board.

To provide energy at a known and budgeted cost, the District has entered into forward energy contracts with the SNWA. Because Las Vegas is at a higher elevation than its principal major water supply, reliable electrical service is essential to the District's ability to deliver water. To better manage energy reliability and costs, the District manages a significant portion of its energy supply, rather than purchasing energy from the local regulated investor-owned utilities under tariff rates approved by the Nevada Public Utilities Commission.

The portfolio exists solely for the purpose of providing the District's projected energy requirements through December 2030, at a known and budgetable cost, while incorporating renewable energy where appropriate.

Under current accounting standards, these forward energy contracts, for which the District neither paid nor was paid anything at inception, are accounted for as "normal purchases and normal sales" contracts and not as investments. The primary risks associated with these forward energy contracts are counter-party credit and termination risks. Currently, there is no intent to terminate these contracts with offsetting contracts. As of June 30, 2026, the District had commitments totaling $15.8 million related to its forward energy contracts. As of June 30, 2025, the District had commitments totaling $13.3 million related to its forward energy contracts.

Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of management and the District's general counsel that the resolution of these matters will not have a material adverse effect on the future financial condition, results of operations or cash flows of the District.

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

Plan Description

The District contributes to a single-employer defined benefit "other postemployment benefit plan" (OPEB plan). Benefit provisions are established and may be amended by the District's Board subject to collective bargaining agreements. During fiscal year 2019, the District established the Las Vegas Valley Water District, Nevada OPEB Trust Fund (OPEB Trust) to provide a means to fund the post-retirement benefits provided by the District.

The financial information for the OPEB plan is reported in the District's fiduciary funds statements. The OPEB plan does not issue stand-alone financial statements. The measurement date for the District's OPEB disclosures is June 30, 2026. A summary of the OPEB plan's financial statements for the fiscal years ended June 30, 2026 and 2025 is presented in the following tables.

Las Vegas Valley Water District Nevada OPEB Plan
Net Position Restricted for Postemployment Benefits
June 30, 2026 and 2025

	2026	2025
ASSETS		
Cash and cash equivalents	$ 908	$ 883
Investments at fair value:		
Nevada Retirement Benefits Investment Trust	46,530,692	37,551,336
TOTAL ASSETS	46,531,600	37,552,219
LIABILITIES	—	—
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS	$ 46,531,600	$ 37,552,219

Las Vegas Valley Water District Nevada OPEB Plan
Changes in Net Position Restricted for Postemployment Benefits
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	2025
ADDITIONS		
Employer contributions	$ 5,706,326	$ 5,628,216
Investment earnings:		
Interest	1,053,443	916,367
Net change in fair value of investments	4,938,447	2,981,607
Total investment earnings	5,991,890	3,897,974
Less investment expense	(11,509)	(9,298)
Net investment earnings	5,980,381	3,888,676
Total additions	11,686,707	9,516,892
DEDUCTIONS		
Benefit payments	2,706,326	2,627,216
Administrative and general	1,000	1,000
Total deductions	2,707,326	2,628,216
NET INCREASE IN NET POSITION	8,979,381	6,888,676
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS		
Beginning of year	37,552,219	30,663,543
End of year	$ 46,531,600	$ 37,552,219

Benefits Provided

Under the OPEB plan, employees who retire directly from the District are eligible for continued health benefits through Clark County, Nevada, the District's insurance provider. For retirees who retire with pension benefits unreduced for early retirement, the District pays the full premium for retirees and 85 percent of the premium for their dependents until the retirees are eligible for Medicare or reach age 65. When the retirees are eligible for Medicare, or at 65, the retirees may continue coverage but must pay 100 percent of the premium. Retirees who retire early with reduced pension benefits can stay enrolled but would pay the full premium that Clark County charges. However, since Clark County charges the District the same premiums for retirees who are not yet eligible for Medicare as for active employees, and since early retirees tend to have higher medical expenses than active employees, the retiree premium rates are being partially subsidized by the District through higher premiums paid on behalf of active members.

At fiscal year-end June 30, participants in the plan consist of the following:

Participant Count	2026	2025
Active employees	1,320	1,320
Inactive employees, currently receiving benefits	139	139
Total participants	1,459	1,459

Funding Policy

Subject to collective bargaining agreements, the contribution requirements of plan members and the District are established and may be amended by the District's Board. There are no legal or contractual maximum contribution rates. The required contribution is based on pay-as-you-go financing requirements.

Actuarially Determined Contribution

The actuarially determined contribution (ADC) is equal to the service cost (that portion of District provided benefit attributable to employee service in the current year) plus an amortization amount of the net OPEB liability. The amortization of the net OPEB liability is based upon a level dollar amortization period over 20 years. The ADC represents the contribution that the District would need to make each year to fully fund its net OPEB liability over the next 20 years. The ADC was $1.7 million for the fiscal year ended June 30, 2026. The District's contribution is based upon pay-as-you-go financing. For the fiscal year ended June 30, 2026, the District's contribution was $5.7 million which is equal to the estimated benefit payments and an additional employer contribution of $3.0 million. For the fiscal year ended June 30, 2025, the District's contribution was $5.6 million which was equal to the estimated benefit payments and an additional employer contribution of $3.0 million. The District contributed $4.0 million in excess of the ADC for the fiscal year ended June 30, 2026 and $3.6 million in excess of the ADC for the fiscal year ended June 30, 2025.

OPEB Liability

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based upon the discount rate and actuarial assumptions listed below. The actuarial assumptions used in the July 1, 2024 valuation were not based on a formal experience study. The actuary reviews the experience and assumptions each year and makes recommendations when a change is needed. The total OPEB liability was then projected forward to the measurement date, taking into account any significant changes between the valuation date and the fiscal year end. The liabilities as of June 30, 2026 and as of June 30, 2025, are calculated using a discount rate equal to the expected investment return on assets held in the OPEB Trust.

The components of net OPEB (asset)/liability are:

	As of June 30, 2026	As of June 30, 2025
Total OPEB liability	$ 40,383,796	$ 39,090,412
Fiduciary net position	46,531,600	37,552,219
Net OPEB (asset)/liability	$ (6,147,804)	$ 1,538,193
Fiduciary net position as a percent of total OPEB liability	115.22 %	96.07 %
Covered employee payroll	$ 161,690,420	$ 153,809,574
Net OPEB (asset)/ liability as a percent of covered employee payroll	(3.80)%	1.00 %
Valuation date	July 1, 2024	July 1, 2024
Measurement date	June 30, 2026	June 30, 2025
GASB No. 75 reporting date	June 30, 2026	June 30, 2025
Discount rate	6.50 %	6.50 %

Sensitivity of the Net OPEB (Asset)/Liability to Changes in the Discount Rate

The following presents the net OPEB (asset)/liability calculated using the discount rate of 6.5 percent as well as what the net OPEB (asset)/liability would be if it were calculated using a discount rate that is one percentage point lower (5.5 percent) and one percentage point higher (7.5 percent) than the current rate.

	As of June 30, 2026		
	1% Decrease In Discount Rate	Discount Rate	1% Increase In Discount Rate
Sensitivity Analysis	5.50%	6.50%	7.50%
Net OPEB (asset)/liability	$ (2,709,584)	$ (6,147,804)	$ (9,272,142)

	As of June 30, 2025		
	1% Decrease In Discount Rate	Discount Rate	1% Increase In Discount Rate
Sensitivity Analysis	5.50%	6.50%	7.50%
Net OPEB (asset)/liability	$ 4,858,413	$ 1,538,193	$ (1,477,749)

Sensitivity of the Net OPEB (Asset)/Liability to Changes in the Healthcare Cost Trend Rates

The following presents what the net OPEB (asset)/liability would be if it were calculated using a healthcare cost trend that is one percentage point lower and one percentage point higher than the current healthcare cost trend rates.

	As of June 30, 2026		
Sensitivity Analysis	1% Decrease in Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Net OPEB (asset)/liability	$ (10,714,966)	$ (6,147,804)	$ (781,475)

	As of June 30, 2025		
Sensitivity Analysis	1% Decrease in Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Net OPEB (asset)/liability	$ (2,515,843)	$ 1,538,193	$ 6,281,536

Actuarial Assumptions June 30, 2026

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Amortization of unfunded liability (closed period) as a level dollar
Amortization period	20 years
Asset valuation method	Fair value
Inflation	2.75 percent per year
Healthcare cost trends rate	Initial rate of 5.40 percent trending up to an ultimate rate of 5.50 percent in 2026 then trending down to 4.25 percent in 2070
Salary increases	3 percent
Discount rate	The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on the District's plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.
Investment rate of return	The OPEB Trust assets are invested in the Nevada Retirement Benefits Investment Fund (RBIF). Based upon the RBIF investment policy, the investment return is assumed to be 6.5 percent, net of expenses.
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service or; 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	General and disabled headcount-weighted tables projected generationally with Improvement Scale MP-2020.

Actuarial Assumptions June 30, 2025

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Amortization of unfunded liability (closed period) as a level dollar
Amortization period	20 years
Asset valuation method	Fair value
Inflation	2.75 percent per year
Healthcare cost trends rate	Initial rate of 5.40 percent trending up to an ultimate rate of 5.50 percent in 2026 then trending down to 4.25 percent in 2070
Salary increases	3 percent
Discount rate	The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on the District's plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.
Investment rate of return	The OPEB Trust assets are invested in the Nevada Retirement Benefits Investment Fund (RBIF). Based upon the RBIF investment policy, the investment return is assumed to be 6.5 percent, net of expenses.
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service or; 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	General and disabled headcount-weighted tables projected generationally with Improvement Scale MP-2020.

Changes in Net OPEB (Asset)/Liability

	Total OPEB Liability	Increase/ (Decrease) Plan Fiduciary Net Position	Net OPEB (Asset)/Liability
Balance as of June 30, 2025	$ 39,090,412	$ 37,552,219	$ 1,538,193
Service cost	1,451,084	—	1,451,084
Interest on the total OPEB liability	2,548,626	—	2,548,626
Differences between actual and expected experience with regard to economic or demographic factors	—	—	—
Changes of assumptions	—	—	—
Benefit payments	(2,706,326)	(2,706,326)	—
Contributions from employer	—	5,706,326	(5,706,326)
Net investment income	—	5,980,381	(5,980,381)
Administrative expenses	—	(1,000)	1,000
Total changes	1,293,384	8,979,381	(7,685,997)
Balance as of June 30, 2026	$ 40,383,796	$ 46,531,600	$ (6,147,804)

	Total OPEB Liability	Increase/ (Decrease) Plan Fiduciary Net Position	Net OPEB (Asset)/Liability
Balance as of June 30, 2024	$ 38,091,479	$ 30,663,543	$ 7,427,936
Service cost	1,241,848	—	1,241,848
Interest on the total OPEB liability	2,472,626	—	2,472,626
Differences between actual and expected experience with regard to economic or demographic factors	165,109	—	165,109
Changes of assumptions	(253,434)	—	(253,434)
Benefit payments	(2,627,216)	(2,627,216)	—
Contributions from employer	—	5,628,216	(5,628,216)
Net investment income	—	3,888,676	(3,888,676)
Administrative expenses	—	(1,000)	1,000
Total changes	998,933	6,888,676	(5,889,743)
Balance as of June 30, 2025	$ 39,090,412	$ 37,552,219	$ 1,538,193

Changes in Actuarial Assumptions

For the fiscal year ended June 30, 2026, no changes were reported as changes of assumptions. For the fiscal year ended June 30, 2025, $0.3 million were reported as changes of assumptions. The District did not incorporate any changes in actuarial assumptions from the prior years.

OPEB Benefit/Expense

Total employer OPEB benefit was $0.8 million for the fiscal year ended June 30, 2026 and OPEB benefit was $1.5 million for the fiscal year ended June 30, 2025.

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

	As of June 30, 2026	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ —	$ 984,505
Changes of assumptions	(791,910)	380,018
Net difference between projected and actual earnings	(5,006,863)	—
Total	$ (5,798,773)	$ 1,364,523

	As of June 30, 2025	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ (388,491)	$ 1,288,488
Changes of assumptions	(2,044,847)	490,168
Net difference between projected and actual earnings	(2,576,321)	—
Total	$ (5,009,659)	$ 1,778,656

Amounts currently reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized as follows:

Fiscal Year Ending June 30,	Recognized Deferred Inflows/Outflows
2027	$ (1,773,935)
2028	(1,345,154)
2029	(738,422)
2030	(555,242)
2031	(11,138)
Thereafter	(10,359)

Investment Rate of Return

The target allocation and best estimates of expected nominal rate of return for each major asset class as of June 30, 2026 are summarized in the following table:

Asset Class	Expected Nominal Return	Target Asset Allocation
U.S. stocks	8.21%	42.50%
International stocks	9.80%	17.50%
U.S. treasury bonds	4.67%	28.00%
Short-term investments	3.59%	12.00%
Expected arithmetic mean annual return (30 years)		6.97%
Expected geometric mean annual return (30 years)		6.49%

The target allocation and best estimates of expected nominal rate of return for each major asset class as of June 30, 2025 are summarized in the following table:

Asset Class	Expected Nominal Return	Target Asset Allocation
U.S. stocks	8.07%	42.50%
International stocks	10.36%	17.50%
U.S. treasury bonds	4.59%	28.00%
Short-term investments	3.69%	12.00%
Expected arithmetic mean annual return (30 years)		6.97%
Expected geometric mean annual return (30 years)		6.49%

OPEB Trust Investments

OPEB trust investments are required to be placed with the RBIF where the District invests its assets to fund its OPEB liabilities. A portion of the assets are reserved as cash to cover operating expenses.

At June 30, 2026, the OPEB Trust had the following investments (carrying value excludes accrued interest):

Investment Type	Carrying Value	Percent of Total
Cash and cash equivalents	$ 908	— %
Nevada Retirement Benefits Investment Fund	46,530,692	100.0
Total	$ 46,531,600	

At June 30, 2025, the OPEB Trust had the following investments (carrying value excludes accrued interest):

Investment Type	Carrying Value	Percent of Total
Cash and cash equivalents	$ 883	— %
Nevada Retirement Benefits Investment Fund	37,551,336	100.0
Total	$ 37,552,219	

Rate of Return

For the fiscal year ended June 30, 2026, the annual money-weighted rate of return on OPEB trust investments, net of OPEB plan investment expense, was 14.75 percent. For the fiscal year ended June 30, 2025, the annual money-weighted rate of return on OPEB plan investments, net of OPEB trust investment expense, was 11.55 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 17. DEFINED BENEFIT PENSION PLAN

Plan Description

The District contributes to the Las Vegas Valley Water District Pension Plan (Plan), a single-employer defined benefit pension trust fund established by the District to provide pension benefits solely for the employees of the District. A Board of Trustees, comprised of the District's Board, has the authority to establish and amend the benefit provisions of the Plan and the contribution requirements of the District and its employees. Employee contributions are not required or permitted, except under certain conditions in which employees may purchase additional years of service for eligibility and increased benefits. During fiscal years 2026 and 2025, employee contributions for this purpose were $0.7 million and $0.9 million, respectively.

The Plan was amended effective February 15, 2005, to provide the following: (1) increase the annual service credit of 2.00 percent to 2.17 percent for years of service after July 1, 2001 (service credit is the accumulation of pension plan years an employee was in paid status at the District); (2) change the benefit formula to increase the calculation of highest average pay by 50.00 percent of the employer contribution rate charged by Nevada Public Employee Retirement System (PERS) to employers who pay the full contribution rate, as prescribed in the Nevada Revised Statutes; and (3) add shift differential and standby pay to the total compensation counted toward the pension benefit.

Other than cost of living adjustments, the Plan does not provide *ad hoc* post-retirement benefit increases nor does it administer postemployment healthcare plans. The financial information for the Plan is reported in the District's fiduciary funds statements. The Plan does not issue a stand-alone financial report. A summary of the Plan's financial statements for the fiscal years ended June 30, 2026 and 2025 is presented in the following tables.

Las Vegas Valley Water District Pension Plan
Net Position Restricted for Pension Benefits
June 30, 2026 and 2025

	2026	2025
ASSETS		
Cash and cash equivalents	$ 8,845,265	$ 4,255,506
Insurance accounts at contract value	4,477,293	3,293,103
Investments at fair value:		
Domestic equity funds	551,662,907	431,727,616
Domestic bond funds	320,104,363	279,106,855
International equity fund	164,220,351	159,343,467
Real assets	106,187,342	99,487,000
Total investments at fair value	1,142,174,963	969,664,938
Total investments	1,155,497,521	977,213,547
Accrued interest receivable	65,550	37,834
TOTAL ASSETS	1,155,563,071	977,251,381
LIABILITIES		
Accounts payable	224,660	194,014
NET POSITION RESTRICTED FOR PENSION BENEFITS	$ 1,155,338,411	$ 977,057,367

Las Vegas Valley Water District Pension Plan
Changes in Net Position Restricted for Pension Benefits
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	2025
ADDITIONS		
Employer contributions	$ 55,000,000	$ 52,500,000
Employee contributions	725,147	907,657
Total contributions	55,725,147	53,407,657
Investment earnings:		
Interest	717,695	463,072
Net change in fair value of investments	168,872,791	116,072,668
Total investment earnings	169,590,486	116,535,740
Less investment expense	(639,429)	(578,151)
Net investment earnings	168,951,057	115,957,589
Total additions	224,676,204	169,365,246
DEDUCTIONS		
Administrative and general	478,594	444,451
Benefits	45,916,566	44,070,428
Total deductions	46,395,160	44,514,879
NET INCREASE IN NET POSITION	178,281,044	124,850,367
NET POSITION RESTRICTED FOR PENSION BENEFITS		
Beginning of year	977,057,367	852,207,000
End of year	$ 1,155,338,411	$ 977,057,367

All District employees are eligible to participate in the Plan after attaining age 20 and completing six months of employment. Subject to a maximum pension benefit, normally 60 percent of average monthly compensation, District employees who retire at age 65 are entitled to an annual retirement benefit, payable monthly for life, of an amount equal to 2 percent of their average monthly compensation multiplied for the years of service prior to July 1, 2001, and 2.17 percent of their average monthly compensation multiplied for the years of service after July 1, 2001. For the purposes of calculating the pension benefit, average monthly compensation means the average of a member's 36 consecutive months of highest compensation, after excluding certain elements, increased by 50 percent of the employer contribution rate charged by Nevada PERS to employers who pay the full contribution rate that is in effect for the 36 consecutive months of highest compensation, while participating in the Plan.

For participants in the plan prior to January 1, 2001, benefits start to vest after three years of service with a 20 percent vested interest. The benefit increases to 40 percent after four years of service and 100 percent after five years of service. New participants after January 1, 2001 start to vest at 5 years of service, at which time they are vested 100 percent. The Plan also provides for early retirement and pre-retirement death benefits. The Plan is not subject to the Employee Retirement Income Security Act (ERISA) of 1974, but is operated consistent with ERISA fiduciary requirements.

For eligible employees on or after January 1, 2001, benefits are increased after retirement by cost of living adjustments that become effective on the first month following the anniversary of benefit commencement according to the following schedule:

0.0% following the 1st, 2nd and 3rd anniversaries
2.0% following the 4th, 5th and 6th anniversaries
3.0% following the 7th, 8th and 9th anniversaries
3.5% following the 10th, 11th and 12th anniversaries
4.0% following the 13th and 14th anniversaries
5.0% following each anniversary thereafter

However, if the benefit amount at the time of an increase is at least or equal to the original benefit amount multiplied by cumulative inflation since retirement, as measured by the increase in the Consumer Price Index (All Items), then the increase cannot exceed the average rate of inflation for the three proceeding years.

The District contributes amounts actuarially determined necessary to fund the Plan to pay benefits when due, and to provide an allowance sufficient to finance the administrative costs of the Plan. Contributions cannot revert to or be revoked by the District or be used for any purpose other than the exclusive benefit of the participants.

At June 30, 2026 and 2025, participants in the plan consist of the following:

	2026	2025
Participant Count		
Retirees for whom annuities were purchased but are due future cost of living adjustments	252	267
Terminated employees not yet receiving benefits	355	364
Retirees paid monthly from plan	862	790
Active employees - fully vested	910	895
- nonvested	345	327
Total active employees	1,255	1,222
Total participants	2,724	2,643

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Employer contributions are recognized when due. Participants do not make contributions except voluntarily under certain conditions to purchase additional years of service. Participant contributions are non-refundable.

Allocated Insurance Contracts

Through December 31, 2013, benefit obligations were recognized and paid when due by purchasing annuity contracts from a life insurance company with a financial strength rating of A++ by A.M. Best rating company. Beginning January 1, 2014, benefit obligations are paid by the Plan through a large multi-national bank. Cost of living adjustments for benefit obligations that were initially paid by purchasing annuity contracts from a life insurance company continue to be paid by purchasing additional annuity contracts from a life insurance company. The costs to purchase annuity contracts from a life insurance company for cost of living adjustments were $4.2 million and $6.6 million for the fiscal years ended June 30, 2026 and June 30, 2025, respectively. The

obligation for the payment of Plan benefits covered by these annuity contracts have been transferred to a life insurance company and are excluded from the Plan assets.

Method Used to Value Investments

The domestic equity, international equity, domestic bond, real asset, and money market accounts are stated at fair value, measured by the underlying market value as reported by the managing institutions. Investments at contract value are insurance contracts and pooled accounts, stated at contract value as determined by the insurance companies in accordance with the terms of the contracts.

Actuarially Determined Contribution

The District's policy is to pay the current year's actuarially determined contribution (ADC) when due. This amount was determined to be $50.8 million and $49.2 million for the fiscal years ended June 30, 2026 and June 30, 2025, respectively. The actual amount contributed by the District for the fiscal year ended June 30, 2026 was $55.0 million, or $4.2 million in excess of the ADC. The actual employer contribution from the District for the fiscal year ended June 30, 2025 was $52.5 million, or $3.3 million in excess of the ADC.

Net Pension Liability

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based upon the discount rate and actuarial assumptions listed below. The total pension liability was then projected forward to the measurement date taking into account any significant changes between the valuation date and the fiscal year end. The liabilities are calculated using a discount rate that is a blend of the expected investment rate of return and a high quality bond index rate. The expected investment rate of return applies for as long as the Plan assets (including future contributions) are projected to be sufficient to make the projected benefit payments. If Plan assets are projected to be depleted at some point in the future, the rate of return of a high quality bond index is used for the period after the depletion date. The disclosures below exclude assets and liabilities held with a life insurance company, which provides benefits for retirees or their beneficiaries whose benefits were purchased with annuity contracts from the life insurance company.

The components of net pension liability are:

	As of June 30, 2026	As of June 30, 2025
Total pension liability	$ 1,226,975,216	$ 1,147,274,096
Fiduciary net position	1,155,338,411	977,057,367
Net pension liability	$ 71,636,805	$ 170,216,729
Fiduciary net position as a percent of total pension liability	94.16 %	85.16 %
Covered payroll	$ 161,690,420	$ 153,809,574
Net pension liability as a percent of covered payroll	44.24 %	110.67 %
Valuation date	June 30, 2025	June 30, 2024
Measurement date	June 30, 2026	June 30, 2025
GASB No. 67/68 reporting date	June 30, 2026	June 30, 2025
Depletion date	None	None
Discount rate	6.75 %	6.75 %
Expected rate of return, net of investment expenses	6.75 %	6.75 %
Municipal bond rate	N/A	N/A

If the assets and liabilities for retirees or their beneficiaries whose benefits were purchased with annuity contracts from a life insurance company were included with the Plan assets:

	As of June 30, 2026	As of June 30, 2025
Fiduciary Net Position as a Percent of Total Pension Liability	94.78%	86.88%

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

The following presents the net pension liability calculated using the discount rate of 6.75 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75 percent) and 1 percentage point higher (7.75 percent) than the current rate.

	As of June 30, 2026		
	1% Decrease In Discount Rate	Discount Rate	1% Increase In Discount Rate
Sensitivity Analysis	5.75%	6.75%	7.75%
Total pension liability	$ 1,407,582,040	$ 1,226,975,216	$ 1,077,824,907
Fiduciary net position	1,155,338,411	1,155,338,411	1,155,338,411
Net pension (asset)/liability	$ 252,243,629	$ 71,636,805	$ (77,513,504)

	As of June 30, 2025		
	1% Decrease In Discount Rate	Discount Rate	1% Increase In Discount Rate
Sensitivity Analysis	5.75%	6.75%	7.75%
Total pension liability	$ 1,317,775,464	$ 1,147,274,096	$ 1,006,482,047
Fiduciary net position	977,057,367	977,057,367	977,057,367
Net pension liability	$ 340,718,097	$ 170,216,729	$ 29,424,680

Actuarial Assumptions June 30, 2026

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	20-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2016. In prior years, 30 year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2009.
Remaining amortization period	Bases established between July 1, 2016 and July 1, 2020 have remaining amortization periods ranging from 14 to 20 years. Bases established between July 1, 2009 and July 1, 2015 have remaining amortization periods ranging from 16 to 22 years.
Inflation	2.75 percent per year
Salary increases	4.20 percent to 9.10 percent depending on service; Rates include inflation
Discount rate	The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected pension payments for current and inactive employees. Therefore, the long-term expected rate of return on the District's plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service, or 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	Non-Disabled Participants - Pub-2010 General tables projected generationally with Projection Scale MP-2020. Healthy annuitant rates are increased by 30% for males and 15% for females. Beneficiary rates are increased 15% for males and 30% for females. Contingent beneficiary rates are increased 30% for males and 15% for females. Disabled Participants - Pub-2010 Disabled tables projected generationally with Projection Scale MP-2020. Disabled rates are increased by 20% for males and 15% for females.

Actuarial Assumptions June 30, 2025

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	20-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2016. In prior years, 30 year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2009.
Remaining amortization period	Bases established between July 1, 2016 and July 1, 2020 have remaining amortization periods ranging from 15 to 19 years. Bases established between July 1, 2009 and July 1, 2015 have remaining amortization periods ranging from 16 to 22 years.
Inflation	2.75 percent per year
Salary increases	4.20 percent to 9.10 percent depending on service; Rates include inflation
Discount rate	The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected pension payments for current and inactive employees. Therefore, the long-term expected rate of return on the District's plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service, or 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	Non-Disabled Participants - Pub-2010 General tables projected generationally with Projection Scale MP-2020. Healthy annuitant rates are increased by 30% for males and 15% for females. Beneficiary rates are increased 15% for males and 30% for females. Contingent beneficiary rates are increased 30% for males and 15% for females. Disabled Participants - Pub-2010 Disabled tables projected generationally with Projection Scale MP-2020. Disabled rates are increased by 20% for males and 15% for females.

Changes in Net Pension Liability

	Total Pension Liability	Increase/Decrease Plan Fiduciary Net Position	Net Pension Liability
Balance as of June 30, 2025	$ 1,147,274,096	$ 977,057,367	$ 170,216,729
Service cost	28,904,711	—	28,904,711
Interest on the total pension liability	77,867,689	—	77,867,689
Differences between actual and expected experience with regard to economic or demographic factors	18,120,139	—	18,120,139
Changes of assumptions	—	—	—
Contributions from employer	—	55,000,000	(55,000,000)
Purchase of service payments	725,147	725,147	—
Net investment income	—	168,951,057	(168,951,057)
Benefit payments	(45,916,566)	(45,916,566)	—
Administrative expense	—	(478,594)	478,594
Total changes	79,701,120	178,281,044	(98,579,924)
Balance as of June 30, 2026	$ 1,226,975,216	$ 1,155,338,411	$ 71,636,805

	Total Pension Liability	Increase/Decrease Plan Fiduciary Net Position	Net Pension Liability
Balance as of June 30, 2024	$ 1,072,523,522	$ 852,207,000	$ 220,316,522
Service cost	27,374,662	—	27,374,662
Interest on the total pension liability	72,780,037	—	72,780,037
Differences between actual and expected experience with regard to economic or demographic factors	17,758,646	—	17,758,646
Changes of assumptions	—	—	—
Contributions from employer	—	52,500,000	(52,500,000)
Purchase of service payments	907,657	907,657	—
Net investment income	—	115,957,589	(115,957,589)
Benefit payments	(44,070,428)	(44,070,428)	—
Administrative expense	—	(444,451)	444,451
Total changes	74,750,574	124,850,367	(50,099,793)
Balance as of June 30, 2025	$ 1,147,274,096	$ 977,057,367	$ 170,216,729

Changes in Actuarial Assumptions

For the fiscal years ending June 30, 2026 and June 30, 2025, no amounts were reported as changes of assumptions. In addition, future salary increases were assumed to rise and withdrawal rates were assumed to decrease. The District did not incorporate any changes in actuarial assumptions from the prior years.

Pension Expense

Total employer pension expense was $43.5 million for the fiscal year ended June 30, 2026 and $39.0 million for the fiscal year ended June 30, 2025.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

The District reported the following deferred inflows of resources and deferred outflows of resources related to pension:

	As of June 30, 2026	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ (421,265)	$ 38,481,096
Changes of assumptions	—	4,546,348
Net difference between projected and actual earnings	(139,412,782)	—
Total	$ (139,834,047)	$ 43,027,444

	As of June 30, 2025	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ (1,023,069)	$ 34,596,257
Changes of assumptions	—	11,041,133
Net difference between projected and actual earnings	(54,295,102)	—
Total	$ (55,318,171)	$ 45,637,390

Amounts currently reported as deferred inflows of resources and deferred outflows of resources related to pension will be recognized as follows:

Fiscal Year Ending June 30,	Recognized Deferred Inflows/Outflows
2027	$ (29,229,383)
2028	(30,951,105)
2029	(24,011,996)
2030	(14,839,398)
2031	2,225,279
Thereafter	—

Investment Rate of Return

The target allocation and best estimates of expected nominal rate of return for each major asset class as of June 30, 2026 are summarized in the following table:

Asset Class	Expected Nominal Return	Target Asset Allocation
Large cap U.S. equities	8.17%	31.50%
Small/mid cap U.S. equities	8.82%	13.50%
International equities	10.03%	15.00%
Core fixed income	5.11%	25.00%
High-yield bonds	6.80%	7.00%
Real assets	9.49%	3.80%
Public infrastructure	8.46%	4.20%
Expected arithmetic average return (30 years)		7.74%
Expected geometric average return (75 years)		6.98%

The target allocation and best estimates of expected nominal rate of return for each major asset class as of June 30, 2025 are summarized in the following table:

Asset Class	Expected Nominal Return	Target Asset Allocation
Large cap U.S. equities	8.10%	31.50%
Small/mid cap U.S. equities	8.76%	13.50%
International equities	10.40%	15.00%
Core fixed income	5.12%	25.00%
High-yield bonds	6.81%	5.00%
Real assets	8.70%	10.00%
Expected arithmetic average return (30 years)		7.78%
Expected geometric average return (75 years)		7.12%

The expected average geometric return over 30 years is less than the expected 1 year return due to expected deviations each year from the average which, as a result of the compounding effect, lower long-term returns.

Pension Investments

Management believes the District's pension investment policy conforms to the District's enabling act which requires the District to follow the "prudent person" rule, *i.e.*, invest with discretion, care and intelligence. The investment policy does not specify credit quality ratings or maturities except that investments must be those that are allowed by law and those that the investment managers are trained and competent to handle.

To diversify investment risk, the District's investment policy currently targets pension plan investments as follows:

Investment Type	Percent of Portfolio	
Equity securities	60%	+/- 10%
Fixed income securities	30	+/- 5
Real assets	10	+/- 3

At June 30, 2026, the pension trust fund had the following investments (includes contract investments at contract value; carrying value excludes accrued interest):

Investment Type	Carrying Value	Percent of Total
Cash and cash equivalents	$ 8,845,265	0.8%
Equity securities	715,883,258	61.9
Fixed income securities	324,581,656	28.1
Real assets	106,187,342	9.2
Total	$ 1,155,497,521	100.0%

Investment	Maturities		Carrying Value
Money market	Weighted average	38 days	$ 8,845,265
U.S. equity securities[1]	N/A		551,662,907
International equity securities	N/A		164,220,351
U.S. fixed income securities	Weighted average	8.4 years	266,291,325
High-yield fixed income securities	Weighted average	3.9 years	53,813,038
Real assets	N/A		106,187,342
Insurance contracts	Open		4,477,293
Total			$ 1,155,497,521

[1] This investment category includes approximately 68.4 percent large cap and 31.6 percent small and mid-cap domestic equity investments.

At June 30, 2025, the pension trust fund had the following investments (includes contract investments at contract value; carrying value excludes accrued interest):

Investment Type	Carrying Value	Percent of Total
Cash and cash equivalents	$ 4,255,506	0.4 %
Equity securities	591,071,083	60.5
Fixed income securities	282,399,958	28.9
Real assets	99,487,000	10.2
Total	$ 977,213,547	100.0 %

Investment	Maturities		Carrying Value
Money market	Weighted average	46 days	$ 4,255,506
U.S. equity securities[1]	N/A		431,727,615
International equity securities	N/A		159,343,467
U.S. fixed income securities	Weighted average	8.50 years	232,612,471
High-yield fixed income securities	Weighted average	3.70 years	46,494,384
Real assets	N/A		99,487,000
Insurance contracts	Open		3,293,104
Total			$ 977,213,547

[1] This investment category includes approximately 71.6 percent large cap and 28.4 percent small and mid-cap domestic equity investments.

Credit Exposure As a Percentage of Total Fixed-Income Investments

	2026	2025
Domestic bond fund	82.0%	82.4%
High-yield bond fund	16.6	16.5
Insurance contracts	1.4	1.2

Credit Quality of Fixed Income Investments

The pension fund fixed-income investments are in insurance company contracts, a domestic bond fund and a high-yield bond fund. The insurance company contracts are not rated by credit rating agencies. The managing institution of the domestic bond fund reports an average quality rating of AA3 at June 30, 2026 and June 30, 2025 for the underlying securities. The managing institution of the high-yield bond fund reports an average quality rating of B1 at June 30, 2026 and June 30, 2025 for the underlying securities.

Credit Quality of Money Market Funds

The Plan's money market account fund was rated AAAm by S&P and Aaa-mf by Moody's at June 30, 2026 and June 30, 2025.

Concentration of Credit Risk – Excluding Money Market and Mutual Funds

The pension investment policy does not restrict the amount that may be invested with any one issuer as long as the prudent person rule is followed. Excluding the money market, equity, bond and real assets funds, no investment comprised more than five percent of the pension trust investments at June 30, 2026 and at June 30, 2025.

Rate of Return

For the year ended June 30, 2026, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.8 percent. For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.2 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fair Value Measurement

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan had the following recurring fair value measurements as of June 30, 2026 and 2025:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Other Unobservable Inputs
	June 30, 2026	(Level 1)	(Level 2)	(Level 3)
Money market	$ 8,845,265	$ 8,845,265	$ —	$ —
U.S. equities securities	551,662,907	551,662,907	—	—
International equities securities	164,220,351	164,220,351	—	—
U.S. fixed income securities	266,291,325	—	266,291,325	—
High-yield fixed income securities	53,813,038	—	53,813,038	—
Real assets	106,187,342	106,187,342	—	—
Insurance contracts	4,477,293	—	4,477,293	—
Total	$ 1,155,497,521	$ 830,915,865	$ 324,581,656	$ —

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Other Unobservable Inputs
	June 30, 2025	(Level 1)	(Level 2)	(Level 3)
Money market	$ 4,255,506	$ 4,255,506	$ —	$ —
U.S. equities securities	431,727,615	431,727,615	—	—
International equities securities	159,343,467	159,343,467	—	—
U.S. fixed income securities	232,612,471	—	232,612,471	—
High-yield fixed income securities	46,494,384	—	46,494,384	—
Real assets	99,487,000	99,487,000	—	—
Insurance contracts	3,293,104	—	3,293,104	—
Total	$ 977,213,547	$ 694,813,588	$ 282,399,959	$ —

NOTE 18. SUBSEQUENT EVENTS

The District evaluated subsequent events through October 7, 2026, the date that the financial statements were available to be issued. No material events were identified that required disclosure.

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Required Supplementary Information (Unaudited)

LAS VEGAS VALLEY WATER DISTRICT®

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability
Last Ten Fiscal Years

	2026	2025	2024	2023	2022
Total pension liability - beginning of year	$1,147,274,096	$1,072,523,522	$1,006,139,498	$ 931,264,040	$ 849,921,457
Service cost	28,904,711	27,374,662	25,846,759	23,019,287	21,176,049
Purchase of service payments	725,147	907,657	448,367	505,254	1,109,815
Interest on the total pension liability	77,867,689	72,780,037	68,342,390	63,216,612	57,728,041
Differences between actual and expected experience with regard to economic or demographic factors	18,120,139	17,758,646	11,406,891	24,205,138	(3,430,285)
Changes of assumptions	—	—	—	—	37,020,273
Benefit payments	(45,916,566)	(44,070,428)	(39,660,383)	(36,070,833)	(32,261,310)
Total changes	79,701,120	74,750,574	66,384,024	74,875,458	81,342,583
Total pension liability - end of year	$1,226,975,216	$1,147,274,096	$1,072,523,522	$1,006,139,498	$ 931,264,040
Fiduciary net position - beginning of year	$ 977,057,367	$ 852,207,000	$ 742,196,121	$ 663,246,174	$ 749,197,931
Contributions from employer	55,000,000	52,500,000	48,000,000	45,000,000	45,000,000
Purchase of service payments	725,147	907,657	448,367	505,254	1,109,815
Net investment income (loss)	168,951,057	115,957,589	101,627,837	69,871,834	(99,398,311)
Benefit payments	(45,916,566)	(44,070,428)	(39,660,383)	(36,070,832)	(32,261,310)
Administrative expenses	(478,594)	(444,451)	(404,942)	(356,309)	(401,950)
Total changes	178,281,044	124,850,367	110,010,879	78,949,947	(85,951,756)
Fiduciary net position - end of year	$1,155,338,411	$ 977,057,367	$ 852,207,000	$ 742,196,121	$ 663,246,175
Net pension liability	$ 71,636,805	$ 170,216,729	$ 220,316,522	$ 263,943,377	$ 268,017,865
Fiduciary net position as a % of total pension liability	94.16 %	85.16 %	79.46 %	73.77 %	71.22 %
Covered payroll	$ 161,690,420	$ 153,809,574	$ 145,307,926	$ 136,344,602	$ 128,787,479
Net pension liability as a % of covered payroll	44.24 %	110.67 %	151.62 %	193.59 %	208.11 %

Notes to Schedule

In 2022, amounts reported as Changes of Assumptions resulted primarily from changes in assumed life expectancies as a result of adopting Pub-2010 General tables projected generationally using Scale MP-2020, with healthy annuitant rates increased by 30 percent for males and 15 percent for females, beneficiary rates increased by 15 percent for males and 30 percent for females, and contingent beneficiary rates increased by 30 percent for males and 15 percent for females. The prior year valuation used the Headcount-Weighted RP-2014 Employee/Healthy Annuitant tables projected to 2020 using Scale MP-2016 and the Headcount-Weighted RP-2014 Disabled Retiree tables projected to 2020 using Scale MP-2016 and set forward four years. For fiscal year ending June 30, 2022, future salary increases were assumed to range from 9.1 percent for employees with less than 1 year of service to 4.2 percent for employees with 20 or more years of service. The prior year valuation assumed future salary increases ranging from 9.15 percent for employees with less than 1 year of service to 4.25 percent for employees with 15 or more years of service. Assumed withdrawal rates for fiscal year ending June 30, 2022 ranged from 15.75 percent at 0 years of service to 1.5 percent for employees with 24 or more years of service. The prior year valuation assumed withdrawal rates ranging from 16 percent at 0 years of service to 1.75 percent for employees with 17 or more years of service.

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Total pension liability - beginning of year	$ 790,310,153	$ 729,478,758	$ 666,168,809	$ 583,905,760	$ 534,426,915
Service cost	22,607,948	21,724,468	21,054,983	20,249,802	17,724,599
Purchase of service payments	1,020,477	601,900	121,713	635,292	118,901
Interest on the total pension liability	54,039,757	49,961,942	45,709,736	42,648,094	39,958,275
Differences between actual and expected experience with regard to economic or demographic factors	7,010,669	10,961,781	5,641,488	(6,502,587)	(1,814,066)
Changes of assumptions	—	—	11,200,477	42,821,654	7,879,481
Benefit payments	(25,067,547)	(22,418,696)	(20,418,448)	(17,589,206)	(14,388,345)
Total changes	59,611,304	60,831,395	63,309,949	82,263,049	49,478,845
Total pension liability - end of year	$ 849,921,457	$ 790,310,153	$ 729,478,758	$ 666,168,809	$ 583,905,760
Fiduciary net position - beginning of year	$ 560,160,992	$ 514,301,116	$ 460,096,344	$ 396,658,965	$ 330,934,926
Contributions from employer	45,116,398	45,000,000	40,450,000	37,000,000	31,069,130
Purchase of service payments	1,020,477	601,900	121,713	635,292	118,901
Net investment income (loss)	168,350,652	23,036,477	34,430,758	43,789,984	49,268,410
Benefit payments	(25,067,547)	(22,418,696)	(20,418,448)	(17,589,206)	(14,388,345)
Administrative expenses	(383,041)	(359,805)	(379,251)	(398,691)	(344,057)
Total changes	189,036,939	45,859,876	54,204,772	63,437,379	65,724,039
Fiduciary net position - end of year	$ 749,197,931	$ 560,160,992	$ 514,301,116	$ 460,096,344	$ 396,658,965
Net pension liability	$ 100,723,526	$ 230,149,161	$ 215,177,642	$ 206,072,465	$ 187,246,795
Fiduciary net position as a % of total pension liability	88.15 %	70.88 %	70.50 %	69.07 %	67.93 %
Covered payroll	$ 137,381,602	$ 131,072,050	$ 126,775,776	$ 120,874,059	$ 118,090,682
Net pension liability as a % of covered payroll	73.32 %	175.59 %	169.73 %	170.49 %	158.56 %

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Defined Benefit Plan Contributions
Last Ten Fiscal Years

Plan Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2026	$ 50,811,727	$ 55,000,000	$ (4,188,273)	$ 161,690,420	34.02 %
2025	49,232,172	52,500,000	(3,267,828)	153,809,574	34.13
2024	46,446,363	48,000,000	(1,553,637)	145,307,926	33.03
2023	42,258,033	45,000,000	(2,741,967)	136,344,602	33.00
2022	40,463,399	45,000,000	(4,536,601)	128,787,479	34.94
2021	40,320,817	45,116,398	(4,795,581)	137,381,602	32.84
2020	38,913,888	45,000,000	(6,086,112)	131,072,050	34.33
2019	37,363,235	40,450,000	(3,086,765)	126,775,776	31.91
2018	35,817,963	37,000,000	(1,182,037)	120,874,059	30.61
2017	31,069,130	31,069,130	—	118,090,682	26.31

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of July 1 of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate as of the last actuarial valuation:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	20-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2016. In prior years, 30 year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2009.
Remaining amortization period	Bases established between July 1, 2016 and July 1, 2020 have remaining amortization periods ranging from 14 to 20 years. Bases established between July 1, 2009 and July 1, 2015 have remaining amortization periods ranging from 16 to 22 years.
Inflation	2.75 percent per year
Salary increases	4.20 percent to 9.10 percent depending on service; Rates include inflation
Discount rate	The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected pension payments for current and inactive employees. Therefore, the long-term expected rate of return on the District's plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service, or 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	Non-Disabled Participants - Pub-2010 General tables projected generationally with Projection Scale MP-2020. Healthy annuitant rates are increased by 30% for males and 15% for females. Beneficiary rates are increased 15% for males and 30% for females. Contingent beneficiary rates are increased 30% for males and 15% for females. Disabled Participants - Pub-2010 Disabled tables projected generationally with Projection Scale MP-2020. Disabled rates are increased by 20% for males and 15% for females.
Asset valuation method	5 year phase-in of gains/losses relative to interest rate assumptions

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Defined Benefit Plan Investment Returns
Last Ten Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actual money-weighted rate of return, net of investment expense	16.75 %	13.17 %	13.20 %	10.17 %	(12.81)%	28.50 %	4.20 %	7.03 %	10.42 %	13.92 %

GASB No. 67 requires the disclosure of the money-weighted rate of return on Plan investments. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportionate amount of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. The money-weighted rate of return is calculated net of investment expense.

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability
Last Ten Fiscal Years

	2026	2025	2024	2023	2022
Total OPEB liability - beginning of year	$ 39,090,412	$ 38,091,479	$ 37,168,135	$ 33,455,960	$ 32,444,399
Service cost	1,451,084	1,241,848	1,205,678	1,318,188	1,237,736
Interest on the total OPEB liability	2,548,626	2,472,626	2,408,231	2,190,256	2,114,466
Differences between actual and expected experience with regard to economic or demographic factors	—	165,109	—	1,573,396	—
Changes of assumptions	—	(253,434)	—	820,618	—
Benefit payments	(2,706,326)	(2,627,216)	(2,690,565)	(2,190,283)	(2,340,641)
Total changes	1,293,384	998,933	923,344	3,712,175	1,011,561
Total OPEB liability - end of year	$ 40,383,796	$ 39,090,412	$ 38,091,479	$ 37,168,135	$ 33,455,960
Fiduciary net position - beginning of year	$ 37,552,219	$ 30,663,543	$ 26,746,818	$ 23,704,146	$ 25,883,020
Contributions from employer	5,706,326	5,628,216	2,690,565	2,190,283	2,340,641
Net investment income/(loss)	5,980,381	3,888,676	3,917,726	3,043,672	(2,177,874)
Benefit payments	(2,706,326)	(2,627,216)	(2,690,566)	(2,190,283)	(2,340,641)
Administrative expenses	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total changes	8,979,381	6,888,676	3,916,725	3,042,672	(2,178,874)
Fiduciary net position - end of year	46,531,600	37,552,219	30,663,543	26,746,818	23,704,146
Net OPEB (asset)/liability	$ (6,147,804)	$ 1,538,193	$ 7,427,936	$ 10,421,317	$ 9,751,814
Fiduciary net position as a percent of total OPEB liability	115.22 %	96.07 %	80.50 %	71.96 %	70.85 %
Covered employee payroll	$ 161,690,420	$ 153,809,574	$ 145,307,926	$ 136,344,602	$ 128,787,479
Net OPEB (asset)/liability as a percent of covered employee payroll	(3.80)%	1.00 %	5.11 %	7.64 %	7.57 %

Notes to Schedule

Changes of assumptions	For fiscal year 2026, there were no health cost trend changes of assumptions. For fiscal year 2025, health cost trend was updated to reflect the latest economic factors. As of June 30, 2019, the discount rate was increased from 3.87 percent to 6.5 percent as the District established the OPEB Trust to fund the post-retirement benefits provided by the employee benefit plan.
Benefit payments	Benefit payments are estimated based upon census data and Plan provisions
Contributions from employer	Employer contributions in 2019 reflect $20 million initial funding of the OPEB Trust as well as estimated benefit payments

The required supplementary information is presented for fiscal years 2018 through 2026, for which information measured in conformity with the requirements of GASB No. 75 is available. The schedule will ultimately present information for the last 10 fiscal years.

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Total OPEB liability - beginning of year	$ 32,629,385	$ 32,322,907	$ 45,901,520	$ 45,166,019	n/a
Service cost	1,162,193	1,153,443	2,641,800	2,570,819	n/a
Interest on the total OPEB liability	2,054,215	2,098,200	1,831,143	1,670,930	n/a
Differences between actual and expected experience with regard to economic or demographic factors	564,226	—	(4,997,697)	—	n/a
Changes of assumptions	(1,576,988)	(514,175)	(10,576,430)	(1,361,784)	n/a
Benefit payments	(2,388,632)	(2,430,990)	(2,477,429)	(2,144,464)	n/a
Total changes	(184,986)	306,478	(13,578,613)	735,501	n/a
Total OPEB liability - end of year	$ 32,444,399	$ 32,629,385	$ 32,322,907	$ 45,901,520	n/a
Fiduciary net position - beginning of year	$ 20,875,227	$ 20,012,456	$ —	$ —	n/a
Contributions from employer	2,388,632	2,430,990	22,477,429	2,144,464	n/a
Net investment income/(loss)	5,008,793	865,202	12,456	—	n/a
Benefit payments	(2,388,632)	(2,430,990)	(2,477,429)	(2,144,464)	n/a
Administrative expenses	(1,000)	(2,431)	—	—	n/a
Total changes	5,007,793	862,771	20,012,456	—	n/a
Fiduciary net position - end of year	25,883,020	20,875,227	20,012,456	—	n/a
Net OPEB (asset)/liability	$ 6,561,379	$ 11,754,158	$ 12,310,451	$ 45,901,520	n/a
Fiduciary net position as a percent of total OPEB liability	79.78 %	63.98 %	61.91 %	— %	n/a
Covered employee payroll	$ 137,381,602	$ 131,072,050	$ 126,775,776	$ 120,874,059	n/a
Net OPEB (asset)/liability as a percent of covered employee payroll	4.78 %	8.97 %	9.71 %	37.97 %	n/a

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Defined Benefit OPEB Plan Contributions
Last Ten Fiscal Years

Plan Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contribution as a Percentage of Covered Employee Payroll
2026	$ 1,685,005	$ 5,706,326	$ (4,021,321)	$ 161,690,420	3.53%
2025	1,996,701	5,628,216	(3,631,515)	153,809,574	3.66
2024	2,273,481	2,690,565	(417,084)	145,307,926	1.85
2023	2,203,229	2,190,283	12,946	136,344,602	1.61
2022	1,833,224	2,340,641	(507,417)	128,787,479	1.82
2021	2,265,397	2,388,632	(123,235)	137,381,602	1.74
2020	2,270,696	2,430,990	(160,294)	131,072,050	1.85
2019	5,980,542	22,477,429	(16,496,887)	126,775,776	17.73
2018	5,863,834	2,144,464	3,719,370	120,874,059	n/a
2017	n/a	n/a	n/a	n/a	n/a

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated every two years. The most recent actuarial valuation date was July 1, 2024.

Methods and assumptions used to determine contribution rate as of the last actuarial valuation:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Amortization of unfunded liability (closed period) as a level dollar
Amortization period	20 years
Asset valuation method	Fair value
Inflation	2.75 percent per year
Healthcare cost trends rate	Initial rate of 5.40 percent trending up to an ultimate rate of 5.50 percent in 2026 then trending down to 4.25 percent in 2070
Salary increases	3 percent
Discount rate	The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on the District's plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.
Investment rate of return	The OPEB Trust assets are invested in the Nevada Retirement Benefits Investment Fund (RBIF). Based upon the RBIF investment policy, the investment return is assumed to be 6.5 percent, net of expenses.
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service or; 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	General and disabled headcount-weighted tables projected generationally with Improvement Scale MP-2020.

The required supplementary information is presented for fiscal year 2018 through 2026, for which information measured in conformity with the requirements of GASB No. 75 is available. The schedule will ultimately present information for the last 10 fiscal years.

LAS VEGAS VALLEY WATER DISTRICT
Required Supplementary Information (Unaudited)
Schedule of Defined Benefit OPEB Plan Investment Returns
Last Ten Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actual money-weighted rate of return, net of investment expense	14.75 %	11.55 %	14.65 %	12.84 %	(8.42)%	23.99 %	4.37 %	— %	n/a	n/a

GASB No. 74 requires the disclosure of the money-weighted rate of return on plan investments. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of OPEB Trust investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. The Net External Cash Flows shown represent employer contribution to the Trust. There were no cash outflows from the Trust during the fiscal year. The money-weighted rate of return is calculated net of investment expenses.

The required supplementary information is presented for fiscal years 2019 through 2026, for which information measured in conformity with the requirements of GASB No. 74 is available. This schedule will ultimately present information for the last 10 fiscal years.

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Supplementary Information

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LAS VEGAS VALLEY WATER DISTRICT
Supplementary Information
Budgetary Comparison - Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2026

	Budget [1]	Actuals
OPERATING REVENUES		
Water sales	$ 474,372,602	$ 477,622,678
Inspection and application fees	2,626,095	2,847,544
Springs Preserve	2,227,746	3,334,863
Lease revenues	—	4,326,493
Other	181,730	6,973,262
Total operating revenues	479,408,173	495,104,840
OPERATING EXPENSES		
Salaries and benefits	173,106,189	140,608,647
Purchased water	115,400,686	112,633,044
Purchased energy	15,025,807	14,615,582
Operations and maintenance	68,028,407	73,397,133
Depreciation	108,267,044	105,134,904
Total operating expenses	479,828,133	446,389,310
OPERATING (LOSS) / INCOME	(419,960)	48,715,530
OTHER NONOPERATING (EXPENSES) / REVENUES		
Interest expense	(38,386,079)	(35,865,820)
Amortization of refunding costs	669,596	1,098,331
Amortization of bond premiums and discounts	7,724,011	8,283,184
Interest and investment income, unrestricted	3,338,576	29,416,012
Interest and investment income, restricted	3,555,056	1,363,009
Cost of issuance	—	(402,905)
Gain on sale of assets	—	466,700
Capital contributions	66,206,843	58,089,774
Other	(18,002,660)	—
Total other nonoperating (expenses) / revenues	25,105,343	62,448,285
CHANGE IN NET POSITION	$ 24,685,383	$ 111,163,815

[1] According to Nevada Revised Statutes 354, the final budget approved by the District's Board of Directors was converted to the Statement of Revenues, Expenses, and Changes in Net Position format for filing with the Nevada Department of Taxation.

LAS VEGAS VALLEY WATER DISTRICT
Supplementary Information
Budgetary Comparison - Statement of Cash Flows
For the Fiscal Year Ended June 30, 2026

	Budget [1]	Actuals
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 479,226,444	$ 476,892,915
Other cash receipts	6,075,554	9,896,063
Cash payments to employees for services	(173,106,189)	(150,367,092)
Cash payments to suppliers for goods and services	(222,149,431)	(187,388,885)
Other cash payments	(10,000,000)	(1,547)
Net cash provided by operating activities	80,046,377	149,031,454
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(178,992,082)	(106,442,438)
Capital contributed	66,206,843	36,593,948
Proceeds from sale of property and equipment	—	1,093,454
Right of use leases	(3,347,554)	(2,527,724)
Subscription asset	(13,115,476)	(7,877,073)
Bond issue costs	(383,683)	(260,909)
Principal paid on debt	(50,432,325)	(71,512,476)
Interest paid on debt (net of subsidy)	(37,913,428)	(34,294,262)
BAB interest rebate	1,422,977	—
Construction deposits received (paid), net	—	8,770,172
Net cash (used in) capital and related financing activities	(216,554,728)	(176,457,308)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investment securities	(732,285,505)	(479,734,874)
Proceeds from sales and maturities of investment securities	861,841,563	472,548,945
Interest on investments	6,893,632	29,468,597
Net cash provided by investing activities	136,449,690	22,282,668
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(58,660)	(5,143,186)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	68,771	56,429,746
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 10,111	$ 51,286,560

[1]According to Nevada Revised Statutes 354, the final budget approved by the District's Board of Directors was converted to the Statement of Cash Flows format for filing with the Nevada Department of Taxation.

LAS VEGAS VALLEY WATER DISTRICT
Supplementary Information
Combining Statements of Fiduciary Net Position
As of June 30, 2026 (with comparative 2025)

	Pension	Other Postemployment Benefit	Combined Total 2026	Combined Total 2025
ASSETS				
Cash and cash equivalents	$ 8,845,265	$ 908	$ 8,846,173	$ 4,256,389
Insurance accounts at contract value	4,477,293	—	4,477,293	3,293,103
Investments at fair value:				
Domestic equity funds	551,662,907	—	551,662,907	431,727,616
Domestic bond funds	320,104,363	—	320,104,363	279,106,855
International equity fund	164,220,351	—	164,220,351	159,343,467
Real assets	106,187,342	—	106,187,342	99,487,000
Nevada Retirement Benefits Investment Trust	—	46,530,692	46,530,692	37,551,336
Total investments at fair value	1,142,174,963	46,530,692	1,188,705,655	1,007,216,274
Total investments	1,155,497,521	46,531,600	1,202,029,121	1,014,765,766
Accrued interest receivable	65,550	—	65,550	37,834
TOTAL ASSETS	1,155,563,071	46,531,600	1,202,094,671	1,014,803,600
LIABILITIES				
Accounts payable	224,660	—	224,660	194,014
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS	$ 1,155,338,411	$ 46,531,600	$ 1,201,870,011	$ 1,014,609,586

LAS VEGAS VALLEY WATER DISTRICT
Supplementary Information
Combining Statements of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2026 (with comparative 2025)

	Pension	Other Postemployment Benefit	Combined Total 2026	Combined Total 2025
ADDITIONS				
Employer contributions	$ 55,000,000	$ 5,706,326	$ 60,706,326	$ 58,128,216
Employee contributions	725,147	—	725,147	907,657
Investment earnings:				
Interest	717,695	1,053,443	1,771,138	1,379,439
Net change in fair value of investments	168,872,791	4,938,447	173,811,238	119,054,275
Total investment (loss) earnings	169,590,486	5,991,890	175,582,376	120,433,714
Less investment expense	(639,429)	(11,509)	(650,938)	(587,449)
Net investment (loss) earnings	168,951,057	5,980,381	174,931,438	119,846,265
Total additions	224,676,204	11,686,707	236,362,911	178,882,138
DEDUCTIONS				
Administrative and general	478,594	1,000	479,594	445,451
Benefits	45,916,566	2,706,326	48,622,892	46,697,644
Total deductions	46,395,160	2,707,326	49,102,486	47,143,095
NET (DECREASE) INCREASE IN NET POSITION	178,281,044	8,979,381	187,260,425	131,739,043
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS				
Beginning of year	977,057,367	37,552,219	1,014,609,586	882,870,543
End of year	$ 1,155,338,411	$ 46,531,600	$ 1,201,870,011	$ 1,014,609,586

Statistical Section
(Unaudited)

- **Financial Trends**
  These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

- **Revenue Capacity**
  These schedules contain information to help the reader assess the District's revenue sources and rate structures.

- **Debt Capacity**
  These schedules contain information to help the reader assess affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

- **Demographic and Economic Information**
  These schedules offer demographic, economic, and District indicators to help the reader understand the environment within which the District financial activities take place.

- **Operating Information**
  These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

LAS VEGAS VALLEY WATER DISTRICT®

FINANCIAL TRENDS

- Net Position by Component
- Changes in Net Position

LAS VEGAS VALLEY WATER DISTRICT®

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LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Net Position by Component
Last Ten Fiscal Years

Fiscal Year Ended June 30	Net Investments in Capital Assets	Restricted	Unrestricted	Total Net Position
2026	$ 1,120,791,571	$ 12,437,317	$ 689,893,894	$ 1,823,122,782
2025	1,066,212,365	14,162,167	631,584,435	1,711,958,967
2024 [1]	1,011,527,499	13,913,578	519,812,077	1,545,253,154
2023	951,779,717	13,163,549	463,866,703	1,428,809,969
2022	869,414,469	13,134,332	445,840,279	1,328,389,080
2021	861,957,126	12,628,324	402,793,940	1,277,379,390
2020	864,706,563	13,086,566	294,963,585	1,172,756,714
2019	811,093,581	11,812,183	295,638,147	1,118,543,911
2018 [2]	836,946,681	10,645,884	192,407,826	1,040,000,391
2017	860,075,485	9,913,821	143,469,517	1,013,458,823

[1] The District adopted GASB Statement No. 101, *Compensated Absences*, effective June 30, 2025, and retrospectively restated for the period ended June 30, 2024. The cumulative effect of applying the new Statement is reported as a restatement of the beginning unrestricted net position, in the amount of $4,729,512 as of the beginning of the initial period of implementation.

[2] The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* effective June 30, 2018. The cumulative effect of applying the new Statement is reported as a restatement of the beginning unrestricted net position, in the amount of $17,388,811 as of the beginning of the initial period of implementation.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)
Changes in Net Position
Last Ten Fiscal Years

	2026	Restated 2025 [2]	Restated 2024 [3]	2023	Restated 2022 [4]
OPERATING REVENUES					
Water sales	$477,622,678	$475,388,639	$443,946,284	$414,230,368	$400,207,485
Inspection and application fees	2,847,544	2,632,900	2,815,294	2,982,630	3,825,425
Springs Preserve	3,334,863	2,866,456	2,304,132	1,948,609	1,699,744
Lease revenues	4,326,493	2,558,215	—	—	—
Other	6,973,262	2,875,936	1,600,542	1,451,868	753,804
Total operating revenues	495,104,840	486,322,146	450,666,252	420,613,475	406,486,458
OPERATING EXPENSES					
Salaries and benefits	140,608,647	134,512,229	141,434,071	138,603,546	125,154,506
Purchased water	112,633,044	114,907,729	107,171,082	100,286,849	100,294,880
Purchased energy	14,615,582	11,951,320	14,820,107	11,773,547	10,001,647
Operations and maintenance	73,397,133	44,326,036	42,674,051	31,500,982	39,913,114
Total operating expenses	341,254,406	305,697,314	306,099,311	282,164,924	275,364,147
Operating income before depreciation expense	153,850,434	180,624,832	144,566,941	138,448,551	131,122,311
Depreciation and amortization	(105,134,904)	(98,379,010)	(94,661,413)	(93,670,246)	(89,618,432)
OPERATING INCOME	48,715,530	82,245,822	49,905,528	44,778,305	41,503,879
NONOPERATING (EXPENSES)/REVENUES					
Interest expense	(35,865,820)	(38,949,312)	(40,084,275)	(35,140,069)	(34,165,056)
Amortization of refunding costs	1,098,331	750,223	839,524	942,939	879,141
Amortization of bond premiums and discounts	8,283,184	8,866,858	9,818,321	10,361,249	10,530,814
Interest and investment income (loss), unrestricted	29,416,012	45,574,337	32,732,484	6,245,582	(24,163,160)
Interest and investment income (loss), restricted	1,363,009	6,096,534	5,633,819	1,735,210	(47,452)
Cost of issuance	(402,905)	—	—	—	—
Gain on sale of assets	466,700	317,559	—	—	—
Capital contributions	58,089,774	61,803,792	—	—	—
Other [1,2]	—	—	4,094,921	4,092,652	2,198,976
Total nonoperating (expenses)/ revenues	62,448,285	84,459,991	13,034,794	(11,762,437)	(44,766,737)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	111,163,815	166,705,813	62,940,322	33,015,868	(3,262,858)
Capital contributions	—	—	53,502,862	67,405,021	54,272,548
CHANGE IN NET POSITION	$111,163,815	$166,705,813	$116,443,184	$100,420,889	$ 51,009,690

[1] Gain (Loss) on disposition of property, plant, and equipment; scrap sales and other income.

[2] The District adopted GASB Statement No. 103, *Financial Reporting Model Improvements*, effective June 30, 2026, and retrospectively restated for the period ended June 30, 2025.

[3] The District adopted GASB Statement No. 101, *Compensated Absences*, effective June 30, 2025, and retrospectively restated for the period ended June 30, 2024.

[4] The District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective June 30, 2023, and retrospectively restated for the period ended June 30, 2022.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Changes in Net Position
Last Ten Fiscal Years

	Restated 2021 [5]	2020	2019	Restated 2018 [6]	2017
OPERATING REVENUES					
Water sales	$393,153,616	$367,251,189	$368,415,325	$366,696,687	$349,945,542
Inspection and application fees	4,311,045	3,091,750	3,106,856	2,788,421	2,097,655
Springs Preserve	387,554	1,965,658	3,047,093	2,756,528	2,784,944
Other	11,845	12,260	76,631	66,489	60,374
Total operating revenues	397,864,060	372,320,857	374,645,905	372,308,125	354,888,515
OPERATING EXPENSES					
Salaries and benefits	105,327,388	127,544,943	120,420,009	120,070,807	113,855,792
Purchased water	99,660,851	101,774,269	91,499,814	92,830,073	90,345,870
Purchased energy	8,536,620	8,396,835	9,106,323	9,771,761	9,019,972
Operations and maintenance	36,632,353	38,356,612	19,716,797	33,142,369	37,511,121
Total operating expenses	250,157,212	276,072,659	240,742,943	255,815,010	250,732,755
Operating income before depreciation expense	147,706,848	96,248,198	133,902,962	116,493,115	104,155,760
Depreciation and amortization	(85,575,785)	(85,511,260)	(85,670,125)	(84,232,472)	(83,928,107)
OPERATING INCOME	62,131,063	10,736,938	48,232,837	32,260,643	20,227,653
NONOPERATING (EXPENSES)/REVENUES					
Interest expense	(36,177,666)	(33,766,976)	(35,130,112)	(31,024,735)	(31,129,299)
Amortization of refunding costs	2,795,670	462,831	460,048	460,048	380,562
Amortization of bond premiums and discounts	15,225,356	15,256,318	4,838,673	4,850,175	4,558,895
Interest and investment income (loss), unrestricted	(681,187)	20,100,740	17,218,146	2,256,661	1,042,888
Interest and investment income (loss), restricted	60,014	9,379	9,804	(578)	—
Cost of issuance	—	—	—	—	—
Gain on sale of assets	—	—	—	—	—
Capital contributions	—	—	—	—	—
Other [1]	2,493,806	486,415	4,459,169	2,264,712	1,067,792
Total nonoperating (expenses)/ revenues	(16,284,007)	2,548,707	(8,144,272)	(21,193,717)	(24,079,162)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	45,847,056	13,285,645	40,088,565	11,066,926	(3,851,509)
Capital contributions	58,775,620	40,927,158	38,454,955	32,863,453	37,040,324
CHANGE IN NET POSITION	$104,622,676	$ 54,212,803	$ 78,543,520	$ 43,930,379	$ 33,188,815

[1] Gain (Loss) on disposition of property, plant, and equipment; scrap sales and other income.
[5] The District adopted GASB Statement No. 87, *Leases*, effective June 30, 2022, and retrospectively restated for the period ended June 30, 2021.
[6] The District adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective June 30, 2018.

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REVENUE CAPACITY

- Water Consumption, Revenue, and Active Accounts
- Revenue Analysis by Class of Service
- Water Rates - Last Ten Fiscal Years
- Municipal Water Rates Survey
- Top Ten Principal Ratepayers

LAS VEGAS VALLEY WATER DISTRICT®

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LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Water Consumption, Revenue, and Active Accounts [1]
Last Ten Fiscal Years

	2026	2025	2024	2023	2022
Water Consumption [2] (thousands of gallons)					
Residential - single service	40,637,843	41,350,264	40,009,907	41,885,925	45,343,335
Residential - duplex, triplex/fourplex	577,192	601,658	583,910	581,308	624,320
Apts., condos, & townhouses	16,685,600	17,230,714	16,796,023	16,812,382	17,604,323
Residential, other	1,136,510	1,154,001	1,113,601	1,079,376	1,098,165
Hotels	8,948,923	9,168,557	9,334,316	8,827,670	9,006,213
Motels	1,043,332	1,107,515	1,108,492	1,082,533	1,130,384
Community facilities	2,133,911	2,122,570	2,109,128	1,975,197	2,038,131
Schools	1,416,150	1,582,385	1,551,036	1,622,825	1,761,292
Fireline	556,044	848,314	671,921	811,121	769,133
Irrigation	14,320,499	14,560,705	13,348,922	14,146,423	14,518,074
Commercial/business	8,978,252	9,103,408	8,598,720	8,735,897	9,001,997
Recreational	243,846	214,871	196,614	185,463	213,018
Industrial	1,326,397	1,372,619	1,317,480	1,372,805	1,415,643
Construction water	1,233,330	1,464,104	1,501,655	1,411,435	1,462,375
Other	876,208	834,445	772,643	1,207,819	1,056,895
Total consumption	100,114,037	102,716,130	99,014,368	101,738,179	107,043,298
Water revenue [3]	$ 713,631,305	$ 699,425,775	$ 656,591,432	$ 612,646,538	$ 585,886,714
Effective rate per 1,000 gal.[4]	$ 7.1282	$ 6.8093	$ 6.6313	$ 6.0218	$ 5.4734
Active accounts at June 30	441,241	436,077	428,243	419,352	412,800

[1] Excludes recharged water sales.

[2] At various times certain accounts were reclassified, primarily affecting the community facilities, irrigation and recreational categories.

[3] Consists of water sales, SNWA regional and surcharges, delinquent and other charges.

[4] Effective rate is water revenue divided by total consumption. Because water rates are variable, the effective rate can fluctuate.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Water Consumption, Revenue, and Active Accounts [1]
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Water Consumption [2] (thousands of gallons)					
Residential - single service	47,982,813	45,554,902	45,499,488	47,527,027	46,816,937
Residential - duplex, triplex/fourplex	653,279	660,715	661,476	685,307	699,597
Apts., condos & townhouses	17,661,457	16,705,144	16,850,057	16,781,540	16,321,023
Residential, other	1,157,738	1,114,143	1,079,565	1,083,384	1,054,444
Hotels	7,483,930	7,900,286	9,499,444	9,774,410	9,748,887
Motels	1,104,570	1,039,614	1,151,395	1,200,092	1,204,671
Community facilities	2,170,842	2,079,438	2,070,984	2,174,214	2,222,950
Schools	1,602,277	1,638,574	1,711,504	1,759,977	1,786,227
Fireline	603,767	600,459	533,846	520,938	499,253
Irrigation	15,755,749	14,723,329	13,926,159	14,613,277	15,177,585
Commercial/business	8,807,756	8,546,105	9,135,117	9,027,023	8,878,970
Recreational	211,574	210,389	220,265	219,883	223,266
Industrial	1,326,884	1,286,408	1,407,321	1,413,027	1,366,087
Construction water	1,955,374	1,360,289	1,375,426	1,503,683	1,594,122
Other	823,799	881,736	551,256	626,770	613,752
Total consumption	109,301,809	104,301,531	105,673,303	108,910,552	108,207,771
Water revenue [3]	$ 571,527,570	$ 540,004,882	$ 538,754,649	$ 531,164,103	$ 497,190,376
Effective rate per 1,000 gal.[4]	$ 5.2289	$ 5.1773	$ 5.0983	$ 4.8771	$ 4.5948
Active accounts at June 30	408,542	402,911	397,336	392,700	387,829

[1] Excludes recharged water sales.

[2] At various times certain accounts were reclassified, primarily affecting the community facilities, irrigation and recreational categories.

[3] Consists of water sales, SNWA regional and surcharges, delinquent and other charges.

[4] Effective rate is water revenue divided by total consumption. Because water rates are variable, the effective rate can fluctuate.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Revenue Analysis by Class of Service
For the Fiscal Year Ended June 30, 2026

Class of Service	Annual Revenue [1]	Annual Consumption Per Billing (1,000 gal.)	Annual Number of Billings	Average Revenue (1,000 gal.) [2]	Average Monthly Revenue per Customer [3]	Average Monthly Consumption Per Billing (1,000 gal.) [4]	Active Customers 6/30/2026
Residential - single service	$ 338,599,802	40,637,843	4,784,448	$ 8.3321	$ 70.77	8.5	400,691
Residential - duplex/ triplex/fourplex	4,045,415	577,192	37,122	7.0088	108.98	15.5	3,092
Apts., condos, & townhouses	91,302,384	16,685,600	55,087	5.4719	1,657.42	302.9	4,665
Residential, other	5,305,440	1,136,510	2,440	4.6682	2,174.36	465.8	201
Hotels	48,343,975	8,948,923	3,364	5.4022	14,370.98	2,660.2	281
Motels	6,136,743	1,043,332	2,864	5.8819	2,142.72	364.3	237
Community facilities	13,617,933	2,133,911	13,436	6.3817	1,013.54	158.8	1,127
Schools	9,278,684	1,416,150	9,764	6.5520	950.30	145.0	824
Fireline	33,391,671	556,044	73,808	60.0522	452.41	7.5	6,218
Irrigation	74,616,900	14,320,499	99,127	5.2105	752.74	144.5	8,396
Commercial/business	62,420,727	8,978,252	110,649	6.9524	564.13	81.1	9,271
Recreational	1,441,213	243,846	994	5.9103	1,449.91	245.3	85
Industrial	9,386,108	1,326,397	16,894	7.0764	555.59	78.5	1,412
Construction water	8,979,865	1,233,330	57,589	7.2810	155.93	21.4	4,521
Other	6,764,445	876,208	2,602	7.7201	2,599.71	336.7	220
Total	$ 713,631,305	100,114,037	5,270,188	$ 7.1282	$ 135.41	19.0	441,241

[1] Annual Revenue includes $233,735,962 SNWA regional revenues and infrastructure charges.

[2] Annual Revenue divided by Annual Consumption Per Billing (1,000 gal.).

[3] Annual Revenue divided by Annual Number of Billings.

[4] Annual Consumption Per Billing (1,000 gal.) divided by Annual Number of Billings.

Water rates for the last ten fiscal years are displayed on the following pages. The ⅝" and ¾" meter diameter services are primarily residential. Monthly water costs vary based on the number of days in the billing period.

Water rates are structured to promote conservation, pay operating expenses and bond debt, and to fund expenditures for utility plant not funded by bond proceeds.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2026 to June 30, 2026

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.4627	First 167	First 167	$1.61
		Next 167	Next 167	$2.87
		Next 333	Next 333	$4.27
		Over 667	Over 667	$6.33
3/4	$0.5328	First 250	First 167	$1.61
		Next 250	Next 167	$2.87
		Next 500	Next 333	$4.27
		Over 1,000	Over 667	$6.33
1	$0.6730	First 417	First 167	$1.61
		Next 417	Next 167	$2.87
		Next 1,666	Next 333	$4.27
		Over 2,500	Over 667	$6.33
1 1/2	$1.0232	First 833	First 167	$1.61
		Next 833	Next 167	$2.87
		Next 6,667	Next 333	$4.27
		Over 8,333	Over 667	$6.33
2	$1.4442	First 1,333	First 167	$1.61
		Next 1,333	Next 167	$2.87
		Next 16,000	Next 333	$4.27
		Over 18,666	Over 667	$6.33
3	$2.5662	First 2,667	First 167	$1.61
		Next 2,667	Next 167	$2.87
		Next 42,666	Next 333	$4.27
		Over 48,000	Over 667	$6.33
4	$3.8284	First 4,167	First 167	$1.61
		Next 4,167	Next 167	$2.87
		Next 125,000	Next 333	$4.27
		Over 133,334	Over 667	$6.33
6	$7.3346	First 8,333	First 167	$1.61
		Next 8,333	Next 167	$2.87
		Next 400,000	Next 333	$4.27
		Over 416,666	Over 667	$6.33
8	$11.5421	First 13,333	First 167	$1.61
		Next 13,333	Next 167	$2.87
		Next 773,337	Next 333	$4.27
		Over 800,003	Over 667	$6.33
10	$16.4507	First 19,167	First 167	$1.61
		Next 19,167	Next 167	$2.87
		Next 1,303,333	Next 333	$4.27
		Over 1,341,667	Over 667	$6.33
12	$24.1644	First 28,333	First 167	$1.61
		Next 28,333	Next 167	$2.87
		Next 1,926,667	Next 333	$4.27
		Over 1,983,333	Over 667	$6.33

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.67/1,000 gallons from January 1, 2026 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period: Beginning January 1, 2026 to current the fee for residential 5/8"and 3/4" meters was $16.97 monthly and for other sizes, the fee can range up to $3,087 monthly;

(f) In addition to the above water rates, the District assesses an excessive use charge of $9.00/1,000 gallons for any single-family residential customer whose water use in a given month exceeds the established excessive use threshold; effective January 1, 2023.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2025 to December 31, 2025

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.4488	First 167	First 167	$1.56
		Next 167	Next 167	$2.78
		Next 333	Next 333	$4.14
		Over 667	Over 667	$6.14
3/4	$0.5168	First 250	First 167	$1.56
		Next 250	Next 167	$2.78
		Next 500	Next 333	$4.14
		Over 1,000	Over 667	$6.14
1	$0.6528	First 417	First 167	$1.56
		Next 417	Next 167	$2.78
		Next 1,666	Next 333	$4.14
		Over 2,500	Over 667	$6.14
1 1/2	$0.9924	First 833	First 167	$1.56
		Next 833	Next 167	$2.78
		Next 6,667	Next 333	$4.14
		Over 8,333	Over 667	$6.14
2	$1.4008	First 1,333	First 167	$1.56
		Next 1,333	Next 167	$2.78
		Next 16,000	Next 333	$4.14
		Over 18,666	Over 667	$6.14
3	$2.4890	First 2,667	First 167	$1.56
		Next 2,667	Next 167	$2.78
		Next 42,666	Next 333	$4.14
		Over 48,000	Over 667	$6.14
4	$3.7133	First 4,167	First 167	$1.56
		Next 4,167	Next 167	$2.78
		Next 125,000	Next 333	$4.14
		Over 133,334	Over 667	$6.14
6	$7.1141	First 8,333	First 167	$1.56
		Next 8,333	Next 167	$2.78
		Next 400,000	Next 333	$4.14
		Over 416,666	Over 667	$6.14
8	$11.1951	First 13,333	First 167	$1.56
		Next 13,333	Next 167	$2.78
		Next 773,337	Next 333	$4.14
		Over 800,003	Over 667	$6.14
10	$15.9561	First 19,167	First 167	$1.56
		Next 19,167	Next 167	$2.78
		Next 1,303,333	Next 333	$4.14
		Over 1,341,667	Over 667	$6.14
12	$23.4378	First 28,333	First 167	$1.56
		Next 28,333	Next 167	$2.78
		Next 1,926,667	Next 333	$4.14
		Over 1,983,333	Over 667	$6.14

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.64/1,000 gallons from January 1, 2025 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period: Beginning January 1, 2025 to current the fee for residential 5/8"and 3/4" meters was $16.35 monthly and for other sizes, the fee can range up to $2,974 monthly;

(f) In addition to the above water rates, the District assesses an excessive use charge of $9.00/1,000 gallons for any single-family residential customer whose water use in a given month exceeds the established excessive use threshold; effective January 1, 2023.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2024 to December 31, 2024

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.4379	First 167	First 167	$1.52
		Next 167	Next 167	$2.71
		Next 333	Next 333	$4.04
		Over 667	Over 667	$5.99
3/4	$0.5042	First 250	First 167	$1.52
		Next 250	Next 167	$2.71
		Next 500	Next 333	$4.04
		Over 1,000	Over 667	$5.99
1	$0.6369	First 417	First 167	$1.52
		Next 417	Next 167	$2.71
		Next 1,666	Next 333	$4.04
		Over 2,500	Over 667	$5.99
1 1/2	$0.9682	First 833	First 167	$1.52
		Next 833	Next 167	$2.71
		Next 6,667	Next 333	$4.04
		Over 8,333	Over 667	$5.99
2	$1.3666	First 1,333	First 167	$1.52
		Next 1,333	Next 167	$2.71
		Next 16,000	Next 333	$4.04
		Over 18,666	Over 667	$5.99
3	$2.4283	First 2,667	First 167	$1.52
		Next 2,667	Next 167	$2.71
		Next 42,666	Next 333	$4.04
		Over 48,000	Over 667	$5.99
4	$3.6227	First 4,167	First 167	$1.52
		Next 4,167	Next 167	$2.71
		Next 125,000	Next 333	$4.04
		Over 133,334	Over 667	$5.99
6	$6.9406	First 8,333	First 167	$1.52
		Next 8,333	Next 167	$2.71
		Next 400,000	Next 333	$4.04
		Over 416,666	Over 667	$5.99
8	$10.9220	First 13,333	First 167	$1.52
		Next 13,333	Next 167	$2.71
		Next 773,337	Next 333	$4.04
		Over 800,003	Over 667	$5.99
10	$15.5669	First 19,167	First 167	$1.52
		Next 19,167	Next 167	$2.71
		Next 1,303,333	Next 333	$4.04
		Over 1,341,667	Over 667	$5.99
12	$22.8661	First 28,333	First 167	$1.52
		Next 28,333	Next 167	$2.71
		Next 1,926,667	Next 333	$4.04
		Over 1,983,333	Over 667	$5.99

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.6/1,000 gallons from January 1, 2024 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period: Beginning January 1, 2024 to current the fee for residential 5/8"and 3/4" meters was $15.86 monthly and for other sizes, the fee can range up to $2,884 monthly;

(f) In addition to the above water rates, the District assesses an excessive use charge of $9.00/1,000 gallons for any single-family residential customer whose water use in a given month exceeds the established excessive use threshold; effective January 1, 2023.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2023 to December 31, 2023

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.4211	First 167	First 167	$1.46
		Next 167	Next 167	$2.61
		Next 333	Next 333	$3.88
		Over 667	Over 667	$5.76
3/4	$0.4848	First 250	First 167	$1.46
		Next 250	Next 167	$2.61
		Next 500	Next 333	$3.88
		Over 1,000	Over 667	$5.76
1	$0.6124	First 417	First 167	$1.46
		Next 417	Next 167	$2.61
		Next 1,666	Next 333	$3.88
		Over 2,500	Over 667	$5.76
1 1/2	$0.9310	First 833	First 167	$1.46
		Next 833	Next 167	$2.61
		Next 6,667	Next 333	$3.88
		Over 8,333	Over 667	$5.76
2	$1.3140	First 1,333	First 167	$1.46
		Next 1,333	Next 167	$2.61
		Next 16,000	Next 333	$3.88
		Over 18,666	Over 667	$5.76
3	$2.3349	First 2,667	First 167	$1.46
		Next 2,667	Next 167	$2.61
		Next 42,666	Next 333	$3.88
		Over 48,000	Over 667	$5.76
4	$3.4834	First 4,167	First 167	$1.46
		Next 4,167	Next 167	$2.61
		Next 125,000	Next 333	$3.88
		Over 133,334	Over 667	$5.76
6	$6.6737	First 8,333	First 167	$1.46
		Next 8,333	Next 167	$2.61
		Next 400,000	Next 333	$3.88
		Over 416,666	Over 667	$5.76
8	$10.5019	First 13,333	First 167	$1.46
		Next 13,333	Next 167	$2.61
		Next 773,337	Next 333	$3.88
		Over 800,000	Over 667	$5.76
10	$14.9682	First 19,167	First 167	$1.46
		Next 19,167	Next 167	$2.61
		Next 1,303,333	Next 333	$3.88
		Over 1,341,667	Over 667	$5.76
12	$21.9866	First 28,333	First 167	$1.46
		Next 28,333	Next 167	$2.61
		Next 1,926,667	Next 333	$3.88
		Over 1,983,333	Over 667	$5.76

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.57/1,000 gallons from January 1, 2023 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period: Beginning January 1, 2023 to current the fee for residential 5/8"and 3/4" meters was $15.25 monthly and for other sizes, the fee can range up to $2,773 monthly;

(f) In addition to the above water rates, the District assesses an excessive use charge of $9.00/1,000 gallons for any single-family residential customer whose water use in a given month exceeds the established excessive use threshold; effective January 1, 2023.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2022 to December 31, 2022

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.4030	First 167	First 167	$1.40
		Next 167	Next 167	$2.50
		Next 333	Next 333	$3.71
		Over 667	Over 667	$5.51
3/4	$0.4639	First 250	First 222	$1.40
		Next 250	Next 222	$2.50
		Next 500	Next 444	$3.71
		Over 1,000	Over 889	$5.51
1	$0.5860	First 417	First 334	$1.40
		Next 417	Next 334	$2.50
		Next 1,666	Next 1,222	$3.71
		Over 2,500	Over 1,889	$5.51
1 1/2	$0.8909	First 833	First 611	$1.40
		Next 833	Next 611	$2.50
		Next 6,667	Next 4,556	$3.71
		Over 8,333	Over 5,778	$5.51
2	$1.2574	First 1,333	First 944	$1.40
		Next 1,333	Next 944	$2.50
		Next 16,000	Next 10,778	$3.71
		Over 18,666	Over 12,666	$5.51
3	$2.2344	First 2,667		$1.40
		Next 2,667		$2.50
		Next 42,666		$3.71
		Over 48,000		$5.51
4	$3.3334	First 4,167		$1.40
		Next 4,167		$2.50
		Next 125,000		$3.71
		Over 133,334		$5.51
6	$6.3863	First 8,333		$1.40
		Next 8,333		$2.50
		Next 400,000		$3.71
		Over 416,666		$5.51
8	$10.0497	First 13,333		$1.40
		Next 13,333		$2.50
		Next 773,337		$3.71
		Over 800,000		$5.51
10	$14.3236	First 19,167		$1.40
		Next 19,167		$2.50
		Next 1,303,333		$3.71
		Over 1,341,667		$5.51
12	$21.0398	First 28,333		$1.40
		Next 28,333		$2.50
		Next 1,926,667		$3.71
		Over 1,983,333		$5.51

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.50/1,000 gallons from January 1, 2022 to February 28, 2022, and $0.52/1,000 gallons from March 1, 2022 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period: Beginning January 1, 2022 to February 28, 2022 the fee for residential 5/8"and 3/4" meters was $13.51 monthly and for other sizes, the fee can range up to $2,458 monthly; Beginning March 1, 2022 to current the fee for residential 5/8"and 3/4" meters is $14.21 monthly and for other sizes, the fee can range up to $2,585 monthly.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2021 to December 31, 2021

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.3856	First 167	First 167	$1.34
		Next 167	Next 167	$2.39
		Next 333	Next 333	$3.55
		Over 667	Over 667	$5.27
3/4	$0.4439	First 250	First 222	$1.34
		Next 250	Next 222	$2.39
		Next 500	Next 444	$3.55
		Over 1,000	Over 889	$5.27
1	$0.5608	First 417	First 334	$1.34
		Next 417	Next 334	$2.39
		Next 1,666	Next 1,222	$3.55
		Over 2,500	Over 1,889	$5.27
1 1/2	$0.8525	First 833	First 611	$1.34
		Next 833	Next 611	$2.39
		Next 6,667	Next 4,556	$3.55
		Over 8,333	Over 5,778	$5.27
2	$1.2033	First 1,333	First 944	$1.34
		Next 1,333	Next 944	$2.39
		Next 16,000	Next 10,778	$3.55
		Over 18,666	Over 12,666	$5.27
3	$2.1382	First 2,667		$1.34
		Next 2,667		$2.39
		Next 42,666		$3.55
		Over 48,000		$5.27
4	$3.1899	First 4,167		$1.34
		Next 4,167		$2.39
		Next 125,000		$3.55
		Over 133,334		$5.27
6	$6.1113	First 8,333		$1.34
		Next 8,333		$2.39
		Next 400,000		$3.55
		Over 416,666		$5.27
8	$9.6169	First 13,333		$1.34
		Next 13,333		$2.39
		Next 773,337		$3.55
		Over 800,000		$5.27
10	$13.7068	First 19,167		$1.34
		Next 19,167		$2.39
		Next 1,303,333		$3.55
		Over 1,341,667		$5.27
12	$20.1338	First 28,333		$1.34
		Next 28,333		$2.39
		Next 1,926,667		$3.55
		Over 1,983,333		$5.27

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.48/1,000 gallons from January 1, 2017 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period. Beginning January 1, 2018 to current the fee for residential 5/8"and 3/4" meters is $12.92 monthly and for other sizes, the fee can range up to $2,350 monthly.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2020 to December 31, 2020

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.3799	First 167	First 167	$1.32
		Next 167	Next 167	$2.35
		Next 333	Next 333	$3.50
		Over 667	Over 667	$5.19
3/4	$0.4373	First 250	First 222	$1.32
		Next 250	Next 222	$2.35
		Next 500	Next 444	$3.50
		Over 1,000	Over 889	$5.19
1	$0.5525	First 417	First 334	$1.32
		Next 417	Next 334	$2.35
		Next 1,666	Next 1,222	$3.50
		Over 2,500	Over 1,889	$5.19
1 1/2	$0.8399	First 833	First 611	$1.32
		Next 833	Next 611	$2.35
		Next 6,667	Next 4,556	$3.50
		Over 8,333	Over 5,778	$5.19
2	$1.1855	First 1,333	First 944	$1.32
		Next 1,333	Next 944	$2.35
		Next 16,000	Next 10,778	$3.50
		Over 18,666	Over 12,666	$5.19
3	$2.1066	First 2,667		$1.32
		Next 2,667		$2.35
		Next 42,666		$3.50
		Over 48,000		$5.19
4	$3.1428	First 4,167		$1.32
		Next 4,167		$2.35
		Next 125,000		$3.50
		Over 133,334		$5.19
6	$6.0210	First 8,333		$1.32
		Next 8,333		$2.35
		Next 400,000		$3.50
		Over 416,666		$5.19
8	$9.4748	First 13,333		$1.32
		Next 13,333		$2.35
		Next 773,337		$3.50
		Over 800,000		$5.19
10	$13.5042	First 19,167		$1.32
		Next 19,167		$2.35
		Next 1,303,333		$3.50
		Over 1,341,667		$5.19
12	$19.8363	First 28,333		$1.32
		Next 28,333		$2.35
		Next 1,926,667		$3.50
		Over 1,983,333		$5.19

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.48/1,000 gallons from January 1, 2017 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period. Beginning January 1, 2018 to current the fee for residential 5/8"and 3/4" meters is $12.92 monthly and for other sizes, the fee can range up to $2,350 monthly.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2019 to December 31, 2019

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.3692	First 167	First 167	$1.28
		Next 167	Next 167	$2.28
		Next 333	Next 333	$3.40
		Over 667	Over 667	$5.04
3/4	$0.4250	First 250	First 222	$1.28
		Next 250	Next 222	$2.28
		Next 500	Next 444	$3.40
		Over 1,000	Over 889	$5.04
1	$0.5369	First 417	First 334	$1.28
		Next 417	Next 334	$2.28
		Next 1,666	Next 1,222	$3.40
		Over 2,500	Over 1,889	$5.04
1 1/2	$0.8162	First 833	First 611	$1.28
		Next 833	Next 611	$2.28
		Next 6,667	Next 4,556	$3.40
		Over 8,333	Over 5,778	$5.04
2	$1.1521	First 1,333	First 944	$1.28
		Next 1,333	Next 944	$2.28
		Next 16,000	Next 10,778	$3.40
		Over 18,666	Over 12,666	$5.04
3	$2.0472	First 2,667		$1.28
		Next 2,667		$2.28
		Next 42,666		$3.40
		Over 48,000		$5.04
4	$3.0542	First 4,167		$1.28
		Next 4,167		$2.28
		Next 125,000		$3.40
		Over 133,334		$5.04
6	$5.8513	First 8,333		$1.28
		Next 8,333		$2.28
		Next 400,000		$3.40
		Over 416,666		$5.04
8	$9.2078	First 13,333		$1.28
		Next 13,333		$2.28
		Next 773,337		$3.40
		Over 800,000		$5.04
10	$13.1236	First 19,167		$1.28
		Next 19,167		$2.28
		Next 1,303,333		$3.40
		Over 1,341,667		$5.04
12	$19.2773	First 28,333		$1.28
		Next 28,333		$2.28
		Next 1,926,667		$3.40
		Over 1,983,333		$5.04

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.48/1,000 gallons from January 1, 2017 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period. Beginning January 1, 2018 to current the fee for residential 5/8"and 3/4" meters is $12.92 monthly and for other sizes, the fee can range up to $2,350 monthly.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2018 to December 31, 2018

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.3560	First 167	First 167	$1.23
		Next 167	Next 167	$2.20
		Next 333	Next 333	$3.28
		Over 667	Over 667	$4.86
3/4	$0.4098	First 250	First 222	$1.23
		Next 250	Next 222	$2.20
		Next 500	Next 444	$3.28
		Over 1,000	Over 889	$4.86
1	$0.5177	First 417	First 334	$1.23
		Next 417	Next 334	$2.20
		Next 1,666	Next 1,222	$3.28
		Over 2,500	Over 1,889	$4.86
1 1/2	$0.7871	First 833	First 611	$1.23
		Next 833	Next 611	$2.20
		Next 6,667	Next 4,556	$3.28
		Over 8,333	Over 5,778	$4.86
2	$1.1110	First 1,333	First 944	$1.23
		Next 1,333	Next 944	$2.20
		Next 16,000	Next 10,778	$3.28
		Over 18,666	Over 12,666	$4.86
3	$1.9742	First 2,667		$1.23
		Next 2,667		$2.20
		Next 42,666		$3.28
		Over 48,000		$4.86
4	$2.9452	First 4,167		$1.23
		Next 4,167		$2.20
		Next 125,000		$3.28
		Over 133,334		$4.86
6	$5.6425	First 8,333		$1.23
		Next 8,333		$2.20
		Next 400,000		$3.28
		Over 416,666		$4.86
8	$8.8793	First 13,333		$1.23
		Next 13,333		$2.20
		Next 773,337		$3.28
		Over 800,000		$4.86
10	$12.6554	First 19,167		$1.23
		Next 19,167		$2.20
		Next 1,303,333		$3.28
		Over 1,341,667		$4.86
12	$18.5895	First 28,333		$1.23
		Next 28,333		$2.20
		Next 1,926,667		$3.28
		Over 1,983,333		$4.86

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.48/1,000 gallons from January 1, 2017 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period. Beginning January 1, 2018 to current the fee for residential 5/8"and 3/4" meters is $12.92 monthly and for other sizes, the fee can range up to $2,350 monthly.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

February 1, 2017 to December 31, 2017

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.3456	First 167	First 167	$1.19
		Next 167	Next 167	$2.14
		Next 333	Next 333	$3.18
		Over 667	Over 667	$4.72
3/4	$0.3979	First 250	First 222	$1.19
		Next 250	Next 222	$2.14
		Next 500	Next 444	$3.18
		Over 1,000	Over 889	$4.72
1	$0.5026	First 417	First 334	$1.19
		Next 417	Next 334	$2.14
		Next 1,666	Next 1,222	$3.18
		Over 2,500	Over 1,889	$4.72
1 1/2	$0.7642	First 833	First 611	$1.19
		Next 833	Next 611	$2.14
		Next 6,667	Next 4,556	$3.18
		Over 8,333	Over 5,778	$4.72
2	$1.0786	First 1,333	First 944	$1.19
		Next 1,333	Next 944	$2.14
		Next 16,000	Next 10,778	$3.18
		Over 18,666	Over 12,666	$4.72
3	$1.9167	First 2,667		$1.19
		Next 2,667		$2.14
		Next 42,666		$3.18
		Over 48,000		$4.72
4	$2.8594	First 4,167		$1.19
		Next 4,167		$2.14
		Next 125,000		$3.18
		Over 133,334		$4.72
6	$5.4782	First 8,333		$1.19
		Next 8,333		$2.14
		Next 400,000		$3.18
		Over 416,666		$4.72
8	$8.6207	First 13,333		$1.19
		Next 13,333		$2.14
		Next 773,337		$3.18
		Over 800,000		$4.72
10	$12.2868	First 19,167		$1.19
		Next 19,167		$2.14
		Next 1,303,333		$3.18
		Over 1,341,667		$4.72
12	$18.0481	First 28,333		$1.19
		Next 28,333		$2.14
		Next 1,926,667		$3.18
		Over 1,983,333		$4.72

Continued

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective since March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.48/1,000 gallons from January 1, 2017 to current;

(e) SNWA regional infrastructure charge with a wide range of fees based on meter diameter size. The following rates are based on a 30-day billing period. Beginning January 1, 2017 to December 31, 2017, the fee for residential 5/8"and 3/4" meters was $11.72 monthly and for other sizes, the fee ranged up to $2,245 monthly.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)

Revenue Capacity

Water Rates[1]

January 1, 2013 to January 31, 2017

Meter Size (inches)	Service Charge Daily	Rate Thresholds Avg. Daily Use Non-Residential (In Gallons)	Rate Thresholds Avg. Daily Use Single Family Residential (In Gallons)	Rate Per 1,000 gallons
5/8	$0.3355	First 167	First 167	$1.16
		Next 167	Next 167	$2.08
		Next 333	Next 333	$3.09
		Over 667	Over 667	$4.58
3/4	$0.3863	First 250	First 222	$1.16
		Next 250	Next 222	$2.08
		Next 500	Next 444	$3.09
		Over 1,000	Over 889	$4.58
1	$0.4880	First 417	First 334	$1.16
		Next 417	Next 334	$2.08
		Next 1,666	Next 1,222	$3.09
		Over 2,500	Over 1,889	$4.58
1 1/2	$0.7419	First 833	First 611	$1.16
		Next 833	Next 611	$2.08
		Next 6,667	Next 4,556	$3.09
		Over 8,333	Over 5,778	$4.58
2	$1.0472	First 1,333	First 944	$1.16
		Next 1,333	Next 944	$2.08
		Next 16,000	Next 10,778	$3.09
		Over 18,666	Over 12,666	$4.58
3	$1.8609	First 2,667		$1.16
		Next 2,667		$2.08
		Next 42,666		$3.09
		Over 48,000		$4.58
4	$2.7761	First 4,167		$1.16
		Next 4,167		$2.08
		Next 125,000		$3.09
		Over 133,334		$4.58
6	$5.3186	First 8,333		$1.16
		Next 8,333		$2.08
		Next 400,000		$3.09
		Over 416,666		$4.58
8	$8.3696	First 13,333		$1.16
		Next 13,333		$2.08
		Next 773,337		$3.09
		Over 800,000		$4.58
10	$11.9289	First 19,167		$1.16
		Next 19,167		$2.08
		Next 1,303,333		$3.09
		Over 1,341,667		$4.58
12	$17.5224	First 28,333		$1.16
		Next 28,333		$2.08
		Next 1,926,667		$3.09
		Over 1,983,333		$4.58

[1]Excluded:

(a) Rates for outlying areas and mobile home parks;

(b) Special purpose rates and charges, such as for private fire protection water and metered construction water;

(c) SNWA reliability charge on residential class customers at 0.25 percent of the total water bill and 2.5 percent for all other classes; effective March 1, 1998;

(d) SNWA commodity charge (not charged to Jean, Nevada): $0.30/1,000 gallons from January 1, 2011 to December 31, 2013; $0.34/1,000 gallons for calendar year 2014; $0.38/1,000 gallons for calendar year 2015; $0.44/1,000 gallons for calendar year 2016; $0.48/1,000 gallons from January 1, 2017 to current;

(e) SNWA regional infrastructure charge with fees based on meter diameter size. The charge was initially implemented in April 2012 and the rates are based on a 30-day billing period. Beginning April 1, 2012 to December 31, 2013, the fee for residential 5/8" and 3/4" meters, the primary residential sizes, was $5.00 monthly, and ranged up to $1,660 monthly for other size meters. Beginning January 1, 2014 to December 31, 2014, the fee for residential 5/8" and 3/4" meters increased to $5.64 monthly and for other sizes, up to $1,715 monthly; For calendar year 2015, the fee for residential 5/8" and 3/4" meters increased to $6.36 monthly and for other sizes, up to $1,778 monthly; For calendar year 2016, the fee for residential 5/8" and 3/4" meters increased to $9.59 monthly and for other sizes, up to $2,059 monthly. For calendar year 2017 the fee for residential 5/8" and 3/4" meters increased to $11.72 monthly and for other sizes, up to $2,245 monthly.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Municipal Water Rates Survey
2026 Average Monthly Bill for 8,500 Gallons

CITY	$10 - $20	$20 - $30	$30 - $40	$40 - $50	$50 - $60	$60 - $70	$70 - $80	$80 - $90	$90 - $100	Over $100
Santa Cruz, CA										286.46
Santa Barbara, CA										220.08
Marin, CA										195.08
San Francisco, CA										168.15
San Jose, CA										165.47
Los Angeles, CA										142.46
Colorado Springs, CO (OC)										141.57
San Diego, CA										134.14
Oakland, CA (EBMUD)										129.86
Portland, OR										127.41
Seattle, WA (OC)										105.81
Salt Lake City, UT (OC)										104.89
Pasadena, CA									97.89	
Colorado Springs, CO									94.37	
Houston, TX									94.37	
Seattle, WA									92.84	
Santa Fe, NM									90.96	
Long Beach, CA								88.51		
Santa Rosa, CA								84.41		
Flagstaff, AZ								82.60		
Tacoma, WA (OC)								82.03		
Boulder, CO (OC)								80.27		
Tucson, AZ							79.83			
Riverside, CA (OC)							79.54			
Salt Lake City, UT							77.66			
Denver, CO (OC)							74.12			
Phoenix, AZ (OC)							71.63			
Boulder, CO						69.51				
Tacoma, WA						68.21				
El Paso, TX						64.52				
Cheyenne, WY						63.89				
San Bernardino, CA						61.69				
Anaheim, CA						61.68				
Kingman, AZ (OC)						61.48				
Henderson, NV						61.03				
North Las Vegas, NV					59.29					
Denver, CO					58.87					
San Antonio, TX (OC)					57.08					
Redding, CA					55.85					
Las Vegas, NV					55.46					
Billings, MT (OC)					53.70					
Kingman, AZ					53.21					
Riverside, CA					53.03					
Billings, MT					51.52					
San Antonio, TX					50.30					
Boulder City, NV					50.13					
Phoenix, AZ				48.57						
Scottsdale, AZ				47.33						
Reno, NV				46.15						
Victorville, CA				43.68						
Albuquerque, NM			39.98							
St. George, UT			38.73							
Boise, ID			38.14							
Dallas, TX			37.35							
Cedar City, UT		27.28								

Based on LVVWD Average Monthly Single-Family Consumption of 8,500 gallons and a 5/8 or 3/4 Inch Service Charge for Comparison.

OC - Outside City
EBMUD - East Bay Metropolitan Utilities District

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Top Ten Principal Ratepayers
Calendar Year 2025 and Nine Years Ago

	2025			2016		
Ratepayer	**Revenue**	**Rank**	**Percentage of Total Revenue**	**Revenue**	**Rank**	**Percentage of Total Revenue**
Clark County School District	$ 12,488,249	1	1.86 %	$ 10,009,101	1	2.02 %
City of Las Vegas	7,820,845	2	1.17	5,770,113	2	1.17
Clark County	7,209,980	3	1.07	5,328,262	3	1.08
Clark County Aviation	3,035,052	4	0.45	1,830,974	8	0.37
Venetian Casino Resort LLC	2,746,943	5	0.41	2,133,816	4	0.43
Wynn Las Vegas	2,525,722	6	0.38	1,984,059	6	0.40
Mandalay Bay Hotel	2,356,998	7	0.35	2,095,954	5	0.42
Caesars Palace Hotel	2,215,632	8	0.33	—		—
Southern Highlands Golf Club LLC	2,158,756	9	0.32	1,441,126	10	0.29
Switch LTD	2,124,689	10	0.32	—		—
MGM Grand Hotel	—		—	1,549,318	9	0.31
Bellagio Hotel and Casino	—		—	1,955,529	7	0.39
	$ 44,682,866		6.66 %	$ 34,098,252		6.89 %
Total revenue	$ 671,113,076			$ 495,108,001		

Note: Revenue includes SNWA and other various charges.

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DEBT CAPACITY

- Ratios of Outstanding Debt
- Pledged Revenue Coverage
- Outstanding Direct and Overlapping General Obligation Indebtedness

LAS VEGAS VALLEY WATER DISTRICT®

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LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Ratios of Outstanding Debt
Last Ten Fiscal Years

Fiscal Year	General Obligation Bond Debt Excluding SNWA Secured Debt	Bond Debt Additionally Secured by SNWA Revenue	Net Revenue Bond Debt	State Revolving Fund Loans	Lease Obligations[1]	Subscription Obligations[2]	Total Debt
2026	$ 800,590,788	$ 1,912,420,000	$ —	$ 30,993,960	$ 4,263,463	$ 27,359,718	$2,775,627,929
2025	882,658,783	2,119,610,000	—	33,781,285	6,410,162	13,030,495	3,055,490,725
2024	936,935,641	1,883,525,000	—	36,506,014	5,817,907	10,850,689	2,873,635,251
2023	789,261,078	1,999,405,000	—	39,169,584	6,704,246	12,956,036	2,847,495,944
2022	840,972,327	2,109,860,000	168,000	41,773,397	8,111,624	14,374,630	3,015,259,978
2021	815,873,184	1,964,540,000	336,000	44,245,867	10,105,647	—	2,835,100,698
2020	761,222,060	1,874,170,000	504,000	46,369,428	—	—	2,682,265,488
2019	807,899,844	1,835,280,000	672,000	40,293,603	—	—	2,684,145,447
2018	845,008,518	1,923,620,000	840,000	33,630,056	—	—	2,803,098,574
2017	775,966,918	2,003,205,000	1,008,000	26,153,695	—	—	2,806,333,613

Fiscal Year	Personal Income[3]	Percent of Personal Income	Active Accounts	Per Active Account	Taxable Real Property Value[4]	Percent of Taxable Real Property Value
2026	$ 163,937,060,352	1.69 %	441,241	$ 6,291	$ 431,332,860,220	0.64 %
2025	163,937,060,352	1.86	436,077	7,007	413,536,689,029	0.74
2024	160,181,990,480	1.79	428,243	6,710	373,543,472,340	0.77
2023	151,259,194,530	1.88	419,352	6,790	327,980,928,023	0.87
2022	141,031,144,386	2.14	412,800	7,304	291,940,178,237	1.03
2021	135,543,383,910	2.09	408,542	6,940	282,851,329,011	1.00
2020	119,258,397,962	2.25	402,911	6,657	261,001,308,966	1.03
2019	115,662,588,303	2.32	397,336	6,755	238,970,180,206	1.12
2018	106,924,058,975	2.62	392,700	7,138	223,297,727,011	1.26
2017	100,007,387,348	2.81	387,829	7,236	211,139,223,102	1.33

[1] The District adopted GASB Statement No. 87, Leases, effective June 30, 2022, and retrospectively restated for the period ended June 30, 2021.

[2] The District adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements, effective June 30, 2023, and retrospectively restated for the period ended June 30, 2022.

[3] Calendar year. Source is U.S. Bureau of Economic Analysis as reported for Clark County. Personal income data for 2026 and 2025 is not available. Estimates for 2026 and 2025 are based upon 2024 data. This data subject to change.

[4] Neither the State nor the County Assessor maintains an official taxable or assessed valuation for the District. Because the District's boundaries encompass the County, excluding the property within the Virgin Valley Water District, the District historically has calculated its assessed valuation to be the same as the County's after deducting the Virgin Valley Water District's assessed valuation. The taxable value is derived from the assessed valuation.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Pledged Revenue Coverage
Last Ten Fiscal Years

	2026	Restated 2025 [3]	Restated 2024 [4]	2023	Restated 2022 [5]
Operating revenues	$ 495,104,840	$ 486,322,146	$ 450,666,252	$ 420,613,475	$ 406,486,458
Facilities connection charge	22,059,418	19,954,233	19,954,233	26,310,060	23,578,591
Interest income on operating funds	29,416,012	45,574,337	32,732,484	6,203,836	(24,163,160)
Total revenues	546,580,270	551,850,716	503,352,969	453,127,371	405,901,889
Operating expenses [1]	341,254,406	305,697,314	306,099,311	282,164,924	275,364,147
Net pledged revenues	$ 205,325,864	$ 246,153,402	$ 197,253,658	$ 170,962,447	$ 130,537,742
Average annual G.O. bond debt service	$ 43,706,725	$ 46,498,139	$ 47,944,083	$ 38,181,374	$ 39,549,606
Coverage [2]	4.70	5.29	4.21	4.48	3.30

	Restated 2021 [6]	2020	2019	2018	2017
Operating revenues	$ 397,864,060	$ 372,320,857	$ 374,645,905	$ 372,308,125	$ 354,888,515
Facilities connection charge	33,131,272	17,628,602	18,185,794	16,171,119	12,241,154
Interest income on operating funds	(681,187)	20,100,740	17,218,146	2,256,661	1,042,888
Total revenues	430,314,145	410,050,199	410,049,845	390,735,905	368,172,557
Operating expenses [1]	250,157,212	276,072,659	240,742,943	255,815,010	250,732,755
Net pledged revenues	$ 180,156,933	$ 133,977,540	$ 169,306,902	$ 134,920,895	$ 117,439,802
Average annual G.O. bond debt service	$ 39,560,406	$ 38,734,963	$ 39,837,449	$ 40,320,180	$ 47,497,712
Coverage [2]	4.55	3.46	4.25	3.35	2.47

[1] Operating expenses exclude depreciation.

[2] Bond covenants require net pledged revenues to be at least one (1) times the average annual debt. Average annual debt is the aggregate debt service, excluding debt additionally secured by SNWA revenue, divided by the number of years from June 30 to the final maturity date of the indebtedness with the longest maturity. Calculations by District staff.

[3] The Districted adopted GASB Statement No. 103, Financial Reporting Model Improvements, effective June 30, 2026, and retrospectively restated for the period ended June 30, 2025.

[4] The District adopted GASB Statement No. 101, Compensated Absences, effective June 30, 2025, and retrospectively restated for the period ended June 30, 2024

[5] The District adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements, effective June 30, 2023, and retrospectively restated for the period ended June 30, 2022.

[6] The District adopted GASB Statement No. 87, Leases, effective June 30, 2022, and retrospectively restated for the period ended June 30, 2021.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Outstanding Direct and Overlapping General Obligation Indebtedness
As of June 30, 2026

	Assessed Valuation	Total General Obligation Indebtedness	Presently Self-Supporting General Obligation Indebtedness	Net Direct General Obligation Indebtedness	Percent Applicable	Applicable Net Overlapping Indebtedness [1]
Las Vegas Valley Water District [2, 3]	$150,966,501,077	$ 2,706,218,960	$ 2,706,218,960	$ —	100.00%	$ —
State of Nevada [4]	213,187,095,765	1,388,600,000	272,942,000	1,115,658,000	70.81	789,997,430
Clark County [5]	152,571,071,908	3,117,530,000	3,117,530,000	—	99.00	—
Clark County School District [5]	152,571,071,908	3,730,713,000	315,790,000	3,414,923,000	99.00	3,380,773,770
Boulder City [6]	1,104,331,848	—	—	—		—
Henderson [7]	23,092,486,085	375,265,000	359,235,000	16,030,000	100.00	16,030,000
Las Vegas [8]	31,407,895,470	427,455,000	351,550,000	75,905,000	100.00	75,905,000
Mesquite [9]	1,577,173,562	4,800,327	4,800,327	—	100.00	—
North Las Vegas [10]	15,963,060,110	317,498,927	317,498,927	—	100.00	—
Clark County Water Reclamation District	79,422,613,731	638,375,384	638,375,384	—	100.00	—
Big Bend Water District [8]	593,282,157	—	—	—	100.00	—
Virgin Valley Water District	1,604,570,831	5,741,930	5,741,930	—	100.00	—
						$ 4,262,706,200

[1] Net overlapping general obligation indebtedness equals total general obligation indebtedness less presently self-supporting general obligation indebtedness times percent applicable.

[2] Because the Las Vegas Valley Water District has never levied an ad valorem property tax, neither the State nor the County Assessor maintains an official assessed valuation for the District. The District's boundaries encompass all of the County, excluding the property within the Virgin Valley Water District. Accordingly, the District has calculated its assessed valuation by deducting the assessed valuation of the Virgin Valley Water District from the County's assessed valuation

[3] The Las Vegas Valley Water District has no legal debt limit per se. The Las Vegas Valley Water District's debt margin is a function of balancing capital outlay needs and market acceptance for its debt at competitive interest rates.

[4] Excludes Statewide Redevelopment Agency assessed valuation in the amount of $8,994,277,626.

[5] Excludes $7,306,312,983 for the Clark County, Las Vegas, North Las Vegas, Henderson, Mesquite and Boulder City Redevelopment Agencies.

[6] Assessed value excludes $106,250,746 for the Boulder City Redevelopment Agency.

[7] Assessed value excludes $2,898,325,428 for the Henderson Redevelopment Agency.

[8] Assessed value excludes $2,329,499,897 for the Las Vegas Redevelopment Agency.

[9] Assessed value excludes $254,579,009 for the Mesquite Redevelopment Agency.

[10] Assessed value excludes $190,503,439 for the North Las Vegas Redevelopment Agency.

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DEMOGRAPHIC AND ECONOMIC INFORMATION

- Demographic and Economic Information
- Employment by Industry Sector
- Ten Largest Property-Owning Taxpayers

LAS VEGAS VALLEY WATER DISTRICT®

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LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Demographic and Economic Information in Clark County, Nevada [1]
Last Ten Calendar Years

Calendar Year	Population [2]	Per Capita Income [3]	Median Household Income [4]	Weighted Enrollment/ School Enrollment [5]	Total Labor Force Thousands [6]	U.S. Unemployment Rate [7]
2025	2,448,576	N/A	$ 65,824	284,839	1,246.6	4.4%
2024	2,392,490	$ 66,952	62,256	288,527	1,203.1	4.0
2023	2,361,285	64,058	61,567	293,716	1,186.5	3.6
2022	2,338,127	60,318	62,867	300,528	1,150.7	3.6
2021	2,320,551	58,410	54,990	301,474	1,100.3	5.3
2020	2,265,461	52,642	54,879	314,757	1,102.2	8.1
2019	2,293,391	50,433	51,313	317,306	1,129.8	3.7
2018	2,251,175	47,497	48,977	319,311	1,090.8	3.9
2017	2,193,818	45,586	47,610	309,965	1,057.4	4.4
2016	2,166,181	43,663	43,950	307,974	1,032.5	4.9

[1] All data is subject to revision. The abbreviation "N/A" means not available.

[2] Population as of July 1. Source: Nevada State Demographer's Office (2016-2025 estimates as of July 1). Populations are subject to periodic revisions.

[3] Source: U.S. Department of Commerce, Bureau of Economic Analysis.

[4] Source: Claritas, ©2021 Environics Analytics (EA); and © Claritas, LLC 2022-2026.

[5] Source: Clark County School District. School year ending June 30, 2017 reflects a kindergarten students as 60% of a student.

[6] Source: State of Nevada - Department of Employment, Training & Rehabilitation.

[7] Source: U.S. Bureau of Labor Statistics (annual averages) except 2025 is December.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Employment by Industry Sector in the Las Vegas Metropolitan Area [1]
Current Fiscal Year and Nine Years Ago

Industry Sector	June 30, 2026 Employees (In Thousands)		June 30, 2017 Employees (In Thousands)	
Leisure and hospitality	305.1	26.0 %	292.5	30.2 %
Trade, transportation, and utilities	209.3	17.8	172.3	17.7
Professional and business activities	182.2	15.5	137.1	14.1
Education and health services	140.2	11.9	96.3	9.9
Government	118.0	10.0	96.3	9.9
Construction	81.7	6.9	59.4	6.1
Financial activities	59.8	5.1	50.6	5.2
Other services	32.9	2.8	31.5	3.2
Manufacturing	30.8	2.6	23.2	2.4
Information technologies	16.4	1.4	12.3	1.3
Mining and logging	0.4	—	0.4	—
Total nonfarm payrolls	1,176.8	100.0 %	971.9	100.0 %

[1] Source: U.S. Bureau of Labor Statistics for the metropolitan statistical area of Las Vegas-Henderson-Paradise, Nevada. In the past, the Nevada Department of Employment, Training, and Rehabilitation (DETR) compiled a list of the top employers in Clark County. In fiscal year 2019, DETR stopped providing this information and the top employers list is not available from another reliable source. Therefore, the information above is intended to provide the reader with alternate data to consider customer concentration risk.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Ten Largest Property-Owning Taxpayers in Clark County, Nevada [1]
Fiscal Year Ended June 30, 2026

	Taxpayer [2]	Taxable Assessed	Taxable Appraised
1.	Vici Properties Incorporated	$ 5,634,920,859	$ 16,099,773,883
2.	The Blackstone Group	2,514,729,826	7,184,942,360
3.	Caesars Entertainment Corporation	1,606,339,919	4,589,542,626
4.	Wynn Resorts Limited	1,366,449,665	3,904,141,900
5.	Station Casinos Limited Liability Company	965,230,267	2,757,800,763
6.	Howard Hughes Corporation	801,374,441	2,289,641,260
7.	Genting Group	788,948,778	2,254,139,366
8.	Boyd Gaming Corporation	661,579,697	1,890,227,706
9.	MGM Resorts International	603,908,508	1,725,452,880
10.	Witkoff	571,276,125	1,632,217,500

[1] Includes the five incorporated cities.

[2] Some taxpayers are hotel/casinos that may have multiple properties.

SOURCE: Nevada Department of Taxation, Division of Local Government Services, *Ten Highest Assessed Taxpayers Statewide and All Counties, 2025-2026 Secured Roll / 2024-2025 Unsecured Roll.*

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OPERATING INFORMATION

- Authorized Full-Time Equivalent Employees by Department
- Water Production by Month
- Pumpage from Wells by Month
- Surface Water by Month - SNWS
- Water Production Maximum and Minimum Days by Month
- Annual Treated Water Delivered by the Southern Nevada Water System
- Capital Asset Statistics
- Schedule of Insurance

LAS VEGAS VALLEY WATER DISTRICT®

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LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Authorized Full-Time Equivalent Employees by Department [1]
Last Ten Fiscal Years [2]

	Fiscal Year Ended June 30									
Department	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Executive Management	10.0	10.0	10.0	13.0	15.0	12.0	14.0	13.0	12.0	14.0
Customer Care & Field Services	165.0	166.0	162.0	163.0	175.0	174.0	174.0	173.0	174.0	178.0
Environmental, Health, Safety, & Corporate Security	106.0	106.0	102.0	104.0	114.0	77.0	77.0	77.0	49.0	49.0
Energy Management	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
Engineering	112.0	104.0	99.0	115.0	127.0	109.0	109.0	105.0	102.0	108.0
Finance	52.0	51.0	51.0	49.0	49.0	50.0	50.0	51.0	77.0	109.0
Human Resources	54.0	54.0	83.0	74.0	30.0	29.0	29.0	27.0	25.0	21.0
Enterprise Technology	103.0	104.0	107.0	142.0	147.0	145.0	145.0	142.0	141.0	118.0
Infrastructure Management	204.0	204.0	201.0	178.0	176.0	91.0	91.0	89.0	88.0	84.0
Legal Services	31.0	31.0	26.0	11.0	11.0	17.0	15.0	15.0	16.0	25.0
Operations	260.0	267.0	266.0	264.0	260.0	249.0	249.0	247.0	243.0	243.0
Public Services	92.0	92.0	91.0	91.0	117.0	114.0	114.0	111.0	104.0	100.0
Resources & Facilities	—	—	—	—	—	145.0	144.0	144.0	142.0	146.0
Risk Management	7.0	7.0	5.0	5.0	6.0	—	—	—	—	—
Water Quality & Treatment	107.0	106.0	102.0	102.0	95.0	97.0	97.0	96.0	95.0	96.0
Water Resources	106.0	107.0	104.0	98.0	87.0	50.0	48.0	43.0	43.0	—
Unfunded positions	166.5	166.5	166.5	166.5	166.5	216.5	218.5	241.5	263.5	283.5
Total	1,580.5	1,580.5	1,580.5	1,580.5	1,580.5	1,580.5	1,580.5	1,580.5	1,580.5	1,580.5

[1] Full-time equivalent (FTE) positions reported in this table reflect all authorized positions available to the District, including positions that perform work on behalf of SNWA and BBWD. Therefore, the totals presented may differ from those included in the District's annual budget document. The District serves as the operating agent for both entities. See Note 12 to the Basic Financial Statements for more details.

[2] Throughout the years, there have been various department and organization changes. The table attempts to apply the organizational changes retroactively for comparison purposes for fiscal year 2019 and prior.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Water Production by Month
Last Ten Calendar Years [1]

(MILLIONS OF GALLONS - EXCLUDES ARTIFICIAL RECHARGE, INCLUDES REUSE)

Month	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
January	6,583	6,297	6,251	6,554	6,377	6,591	6,512	6,741	6,059	6,108
February	5,982	5,723	5,889	6,211	6,031	6,301	6,285	6,324	5,626	6,243
March	7,528	7,153	7,071	8,084	7,725	6,798	7,216	7,674	7,856	7,979
April	8,260	8,009	8,181	8,690	8,869	7,381	8,488	8,880	8,692	8,037
May	9,787	10,117	10,314	10,632	10,821	10,214	9,658	10,746	10,883	9,480
June	10,835	11,196	10,616	11,563	11,987	11,355	10,984	12,029	12,130	11,833
July	11,840	12,521	12,259	12,231	12,568	12,792	12,567	12,725	13,178	12,868
August	11,695	12,416	11,478	11,657	12,438	12,787	12,626	12,979	12,700	12,699
September	9,699	10,355	9,446	10,321	10,687	11,005	10,876	11,438	10,830	10,833
October	8,757	9,590	8,951	9,321	9,204	9,779	9,524	9,789	9,793	9,150
November	6,805	7,286	7,116	7,239	7,523	7,466	7,774	7,847	7,847	7,648
December	6,480	6,805	6,572	6,714	6,747	6,721	6,318	6,865	7,128	6,567
Total	**104,251**	**107,468**	**104,144**	**109,217**	**110,977**	**109,190**	**108,828**	**114,037**	**112,722**	**109,445**
Total Acre Feet	**319,936**	**329,814**	**319,609**	**335,173**	**340,578**	**335,088**	**333,987**	**349,966**	**345,930**	**335,871**

[1] Total of pumpage from wells and surface water, plus or minus reservoir changes, reuse and excluding artificial recharge.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Pumpage from Wells by Month
Last Ten Calendar Years

(MILLIONS OF GALLONS)

Month	2025 Million Gallons	2025 Avg. Gallons	2024 Million Gallons	2024 Avg. Daily	2023 Million Gallons	2023 Avg. Daily	2022 Million Gallons	2022 Avg. Daily	2021 Million Gallons	2021 Avg. Daily
January	—	—	—	—	1	—	1	—	324	10
February	3	—	2	—	4	—	—	—	900	32
March	2	—	1	—	3	—	1	—	—	—
April	4	—	23	1	1,756	59	174	6	—	—
May	1,497	48	1,416	46	2,113	68	1,728	56	1,436	46
June	2,620	87	2,532	84	2,328	78	1,789	60	2,111	70
July	2,782	90	2,813	91	2,273	73	1,841	59	2,102	68
August	2,739	88	2,881	93	1,939	63	1,934	62	2,164	70
September	2,051	68	2,672	89	1,857	62	1,878	63	1,962	65
October	1,306	42	912	29	1,680	54	1,921	62	1,887	61
November	—	—	—	—	793	26	1,435	48	360	12
December	258	8	15	—	468	15	546	18	15	1
Total	**13,262**	**36**	**13,267**	**36**	**15,215**	**36**	**13,248**	**36**	**13,261**	**36**
Total Acre Feet	**40,704**		**40,713**		**46,692**		**40,658**		**40,697**	

Month	2020 Million Gallons	2020 Avg. Daily	2019 Million Gallons	2019 Avg. Daily	2018 Million Gallons	2018 Avg. Daily	2017 Million Gallons	2017 Avg. Daily	2016 Million Gallons	2016 Avg. Daily
January	—	—	—	—	—	—	82	3	—	—
February	—	—	—	—	—	—	73	3	—	—
March	34	1	10	—	—	—	82	3	—	—
April	126	4	1,605	53	46	2	69	2	—	—
May	232	7	1,780	57	366	12	379	12	681	22
June	1,702	57	1,705	57	2,972	99	2,931	98	3,138	105
July	1,721	56	1,830	59	3,083	99	3,174	102	3,071	99
August	1,815	59	1,637	53	3,147	102	3,110	100	3,125	101
September	2,053	68	504	17	2,975	99	2,888	96	3,019	101
October	2,034	66	—	—	311	10	324	10	171	6
November	1,893	63	—	—	340	11	201	7	7	—
December	1,631	53	—	—	—	—	—	—	68	2
Total	**13,240**	**36**	**9,070**	**25**	**13,240**	**36**	**13,313**	**36**	**13,280**	**36**
Total Acre Feet	**40,641**		**27,834**		**40,632**		**40,859**		**40,755**	

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Surface Water by Month
Southern Nevada Water System
Last Ten Calendar Years

(MILLIONS OF GALLONS - EXCLUDES ARTIFICIAL RECHARGE, INCLUDES REUSE)

	2025		2024		2023		2022		2021	
Month	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**
January	6,602	213	6,304	203	6,294	203	6,623	214	6,106	197
February	5,994	214	5,716	197	5,846	209	6,177	221	5,125	183
March	7,563	244	7,170	231	7,072	228	8,120	262	7,657	247
April	8,255	275	8,014	267	6,483	216	7,278	243	8,882	296
May	8,259	266	8,695	280	8,160	263	9,010	291	9,575	309
June	8,314	277	8,712	290	8,241	275	9,854	328	10,141	338
July	9,027	291	9,617	310	10,082	325	10,776	348	10,575	341
August	8,989	290	9,553	308	9,417	304	9,674	312	10,568	341
September	7,589	253	7,704	257	7,612	254	8,671	289	8,899	297
October	7,413	239	8,658	279	7,299	235	7,493	242	7,495	242
November	6,860	229	7,253	242	6,309	210	5,835	194	5,904	197
December	6,198	200	6,766	218	6,077	196	6,212	200	6,458	208
Total	**91,063**	**249**	**94,162**	**257**	**88,892**	**243**	**95,723**	**262**	**97,385**	**266**

	2020		2019		2018		2017		2016	
Month	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**	**Million Gallons**	**Avg. Daily**
January	6,591	213	6,512	210	6,741	217	5,977	193	6,108	197
February	6,301	217	6,285	224	6,324	226	5,553	198	6,243	215
March	6,764	218	7,206	232	7,674	248	7,774	251	7,979	257
April	7,255	242	6,883	229	8,834	294	8,623	287	8,037	268
May	9,982	322	7,879	254	10,380	335	10,503	339	8,798	284
June	9,653	322	9,279	309	9,057	302	9,199	307	8,695	290
July	11,071	357	10,737	346	9,642	311	10,004	323	9,798	316
August	10,971	354	10,989	354	9,832	317	9,591	309	9,574	309
September	8,952	298	10,373	346	8,463	282	7,942	265	7,814	260
October	7,744	250	9,524	307	9,478	306	9,469	305	8,979	290
November	5,573	186	7,774	259	7,507	250	7,645	255	7,640	255
December	5,089	164	6,318	204	6,864	221	7,128	230	6,499	210
Total	**95,946**	**262**	**99,759**	**273**	**100,796**	**276**	**99,408**	**272**	**96,164**	**263**

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Water Production
Maximum and Minimum Days by Month
Last Ten Calendar Years

(MILLIONS OF GALLONS)

Month	2025		2024		2023		2022		2021	
	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
January	228.0	181.3	223.5	174.6	223.0	178.6	232.3	182.4	232.6	175.3
February	232.2	184.6	218.9	176.6	232.6	180.1	249.3	190.4	240.6	183.7
March	278.0	192.1	260.3	184.6	257.2	187.1	292.9	193.0	300.7	183.4
April	301.6	208.5	299.4	204.1	310.4	208.0	319.1	217.9	338.3	222.4
May	370.2	203.7	374.6	223.8	373.2	229.6	397.2	232.5	396.7	240.8
June	409.1	247.7	422.5	249.4	394.3	238.2	422.7	250.6	446.3	272.8
July	413.6	261.3	440.5	267.0	441.7	263.7	445.4	240.1	457.0	271.5
August	417.7	246.2	433.4	265.5	425.7	215.5	411.5	248.2	443.1	262.1
September	385.7	218.6	404.4	244.9	346.5	219.8	395.0	246.4	396.1	247.8
October	320.1	211.2	345.6	219.6	320.7	211.6	341.5	212.1	345.1	210.4
November	285.0	181.4	282.2	197.8	277.5	190.3	286.4	198.0	297.0	197.6
December	230.1	178.1	239.3	185.4	232.1	178.1	239.4	180.8	249.6	181.3
Average daily production	**285.62**		**293.63**		**285.33**		**299.22**		**304.05**	
Maximum daily production	**417.69**		**440.52**		**441.74**		**445.44**		**457.02**	

Month	2020		2019		2018		2017		2016	
	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
January	238.0	186.0	228.0	189.0	234.4	194.4	213.0	181.1	213.2	163.0
February	238.0	187.0	216.0	182.0	240.7	203.9	213.9	176.0	253.7	189.1
March	256.0	176.0	277.0	187.0	282.0	194.9	280.8	201.2	276.7	209.8
April	305.3	175.3	319.0	225.0	335.8	226.4	319.4	230.7	298.0	197.0
May	380.4	228.7	346.0	232.0	378.5	275.2	383.7	274.3	350.9	209.2
June	423.1	259.5	414.0	258.0	433.4	305.5	445.2	324.1	423.5	324.5
July	446.9	285.6	438.0	292.0	443.9	314.3	451.8	356.9	440.0	338.4
August	444.7	288.7	436.0	295.0	438.6	334.5	427.6	335.9	431.5	339.6
September	420.8	255.7	413.0	258.0	410.8	297.3	413.3	281.5	400.4	289.8
October	361.7	227.0	340.0	232.0	366.6	242.1	347.1	249.8	335.8	240.0
November	312.7	190.6	288.0	191.0	305.5	208.7	299.9	215.4	280.1	209.8
December	242.4	182.7	219.0	181.0	241.4	194.6	245.6	199.5	239.0	172.6
Average daily production	**298.33**		**294.09**		**309.40**		**308.83**		**299.80**	
Maximum daily production	**446.87**		**438.00**		**443.90**		**451.80**		**440.00**	

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Annual Treated Water Delivered by
the Southern Nevada Water System
Last Ten Fiscal Years

(ACRE FEET)

Fiscal Year	City of Boulder City	City of Henderson	Las Vegas Valley Water District	Nellis Air Force Base	City of North Las Vegas	Total Deliveries
2026	9,165	90,689	276,417	802	55,771	432,844
2025	9,591	92,749	290,123	862	56,859	450,184
2024	9,091	85,411	280,508	711	58,485	434,206
2023	8,423	84,581	278,526	919	58,377	430,826
2022	9,894	75,544	297,556	982	61,540	445,516
2021	10,921	82,330	300,123	1,029	60,917	455,320
2020	10,001	70,507	315,031	1,004	56,572	453,115
2019	9,848	71,651	292,273	1,118	51,869	426,759
2018	10,731	75,248	306,302	1,202	51,456	444,939
2017	10,496	69,224	298,110	1,213	51,476	430,519

SOURCE: Southern Nevada Water Authority

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Selected Capital Asset Statistics
Last Ten Fiscal Years
Fiscal Year Ended June 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Miles of pipeline	7,352	7,297	7,219	7,133	7,060	6,934	6,892	6,653	6,589	6,518
Active wells [1]	59	59	64	64	64	64	64	64	64	64
Reservoirs/tanks	44	42	42	42	42	43	41	40	40	38
Pumping stations	55	55	53	53	53	53	54	54	54	52

[1] Excludes recharge wells.

LAS VEGAS VALLEY WATER DISTRICT

Enterprise Fund (Unaudited)
Schedule of Insurance
As of June 30, 2026

Type of Coverage and Name of Company	Policy Number	Expiration Date	Details of Coverage
Commercial Property Alliant Property Insurance Program (APIP)	APIP2026 (Dec 32)	7/1/2027	All Risks of Direct Physical Loss or Damage inclusive of damages from Earthquake Shock, Flood, Boiler Explosion & Equipment Breakdown, and Terrorism, subject to policy exclusions. Covered Property includes Real and Personal Property, Improvements and Betterments, Extra Expense, Business Interruption all as per policy form. **Policy Limit:** $600,000,000 **Sub-Limits:** (including but not limited to and unless otherwise scheduled): *Boiler Explosion and Machinery Breakdown* - $250,000,000 Annual Aggregate, *Terrorism* - $200,000,000 Annual Aggregate, *Earthquake Shock* - $100,000,000 Annual Aggregate, *Flood* - $50,000,000 Annual Aggregate, and *Special Flood Hazard Area Flood (defined by FEMA)* - $25,000,000 Annual Aggregate, and *Course of Construction and Additions* - $25,000,000 Annual Aggregate. **Deductible:** $1,000,000 per occurrence, subject to some reduced deductibles on sublimit coverages.
Excess Liability Primary Layer Safety National Casualty Corporation	XPR4068777	7/1/2027	Excess Liability coverage for Las Vegas Valley Water District, Southern Nevada Water Authority, Big Bend Water District, Blue Diamond Water System, Coyote Springs Water Resource District, Jean Water System, Kyle Canyon Water District, Searchlight Water System, and The Springs Preserve. $5,000,000 Per Occurrence for GL; $5,000,000 Each Wrongful Act Public Officials Liability; $5,000,000 Each Wrongful Act Employment Practices Liability; and $5,000,000 Each Accident Auto Liability **Aggregate:** Excess Liability $5,000,000; Public Officials Liability $5,000,000; Employment Practices Liability $5,000,000, Employee Benefits Liability $5,000,000 **Retention:** $1,000,000 **Retroactive dates:** Public Official Liability - Full Prior Acts; Employment Practices - 5/1/1997; Employee Benefits Liability – 5/1/2024

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Schedule of Insurance
As of June 30, 2026

Type of Coverage and Name of Company	Policy Number	Expiration Date	Details of Coverage
Excess Liability - 2nd Layer Following Form Upland Specialty Insurance Company	USXPE1408726	7/1/2027	Excess Liability coverage for Las Vegas Valley Water District, et al. $5,000,000 Per Occurrence; $5,000,000 Aggregate
Excess Liability – 3rd Layer Following Form Vantage Risk Specialty Insurance Company	AUR-PE-002007-02	7/1/2027	Excess Liability coverage for Las Vegas Valley Water District, et al. $5,000,000 Per Occurrence; $5,000,000 Aggregate
Excess Liability – 4th Layer Following Form Great American Assurance Company	EXC 5932618	7/1/2027	Excess Liability coverage for Las Vegas Valley Water District, et al. $5,000,000 Per Occurrence; $5,000,000 Aggregate
Excess Workers Compensation and Employers Liability Safety National Casualty Corporation	SP 4068772	7/1/2027	Excess Workers' Compensation coverage for Las Vegas Valley Water District Maximum Limit of Indemnity Per Occurrence – Statutory; Employers' Liability Maximum Limit of Indemnity Per Occurrence $1,000,000; Retention per occurrence $750,000 All Other
Boat Hull and Protection & Indemnity Navigators	SF26CFTZ04YW901	7/1/2027	Ocean Marine for Las Vegas Valley Water District Insuring 2019 32' Munson Boat 2 Yamaha Diesel Engines 300HP – Hull & Machinery Limit $425,000; Protection & Indemnity limit $1,000,000 **Deductible:** $4,000 Hull and $500 P&I
Small Unmanned Aircraft Systems (sUAS) Indemnity United States Aircraft Insurance Group	UA01105563	7/1/2027	Drone liability coverage for Las Vegas Valley Water District, Southern Nevada Water Authority, Big Bend Water District, Blue Diamond Water System, Coyote Springs Water Resource District, Jean Water System, Kyle Canyon Water District, Searchlight Water System, and The Springs Preserve. **Covered Liability:** Blanket liability policy for up to 7 owned and non-owned unmanned aircraft weighing up to 55 lbs. $5,000,000 Combined Single Limit Each Occurrence Blanket Coverage for Unmanned Aircraft Systems. $5,000,000 Aviation Premises Liability – Each Occurrence. War, Hi-Jacking and Other Perils Limited Write-Back Provisions - $5,000,000 Aggregate. Non-Owned Unmanned Aircraft System Liability Coverage- $5,000,000, and Personal and Advertising Injury Liabilities - $5,000,000 Aggregate; Medical $5,000 - Each Person. Hull Coverage excluded. **Aggregate:** $5,000,000 Limit of Liability **Deductible:** No deductible policy.

LAS VEGAS VALLEY WATER DISTRICT
Enterprise Fund (Unaudited)
Schedule of Insurance
As of June 30, 2026

Type of Coverage and Name of Company	Policy Number	Expiration Date	Details of Coverage
Cyber Liability Homeland Insurance Company of New York	720002803-0001	7/1/2027	Cyber liability coverage for Las Vegas Valley Water District, Southern Nevada Water Authority, Big Bend Water District, Blue Diamond Water System, Coyote Springs Water Resource District, Jean Water System, Kyle Canyon Water District, Searchlight Water System, and The Springs Preserve. **Covered Costs:** Response $10,000,000 Each Incident; Data Recovery $5,000,000 Each Incident; Hardware Replacement $5,000,000 Each Incident. **Covered Loss:** Business Interruption from Security Failure $10,000,000 Each Incident; Business Interruption from System Failure $10,000,000 Each Incident; Business Interruption from Intentional Shutdown $10,000,000 Each Incident. Interruption from Vendor Security Failure $10,000,000 Each Incident; Interruption from Vendor System Failure $10,000,000 Each Incident. Extortion $10,000,000 Each Incident; Reputation $10,000,000 each Incident; Telephone Fraud, Cryptojacking, Social Engineering, Invoice Manipulation and Transfer Fraud $500,000 Each Incident. **Covered Liability:** Data and Network $10,000,000 Each Claim; Regulatory Defense $10,000,000 Each Claim; Merchant Services $10,000,000 Each Claim; Media $10,000,000 Each Claim **Aggregate:** $10,000,000 Limit of Liability **Retention:** $150,000, Waiting Period 10 Hrs **Retroactive Date:** Full Prior Acts
Crime Travelers Casualty & Surety Company of America	106728245	7/1/2029	Crime for Las Vegas Valley Water District, et al. $3,000,000 Per Loss Employee Theft; $3,000,000 Per Employee; $3,000,000 Forgery or Alteration; $3,000,000 On Premises; $3,000,000 in Transit; $3,000,000 Money Orders and Counterfeit Money; $3,000,000 Computer Fraud; $100,000 Computer Program and Electronic Data Restoration Expense; $3,000,000 Funds Transfer Fraud; $25,000 Claims Expense **Deductible:** $50,000 except $25,000 Computer Program and Electronic Data Restoration Expense; $0 Claims Expense
Remediation Pollution & Legal Liability Indian Harbor Insurance Co.	PEC005179502	7/1/2029	$5,000,000 Each Pollution Condition and Aggregate; $5,000,000 Remediation Legal Liability; $5,000,000 Legionella Coverage; $500,000 Disaster Response Expense; $5,000,000 BI/EE; $5,000,000 Contractor's Pollution Legal Liability – Job Site; $5,000,000 Emergency Remediation Expense **Job Site Retroactive Date:** April 9, 2018 **NODS Retroactive Date:** April 9, 2018 **Contractor's Pollution Legal Liability Retroactive Date:** April 9, 2018 **Retention:** $250,000

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS

LAS VEGAS VALLEY WATER DISTRICT®

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*

Independent Auditors' Report

To the Board of Directors of
Las Vegas Valley Water District

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 (*Government Auditing Standards*), the financial statements of the business-type activities and fiduciary activities of the Las Vegas Valley Water District (the District), a discretely presented component unit of Clark County, Nevada, which comprise the District's statement of net position as of June 30, 2026, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 7, 2026. As discussed in Note 1, the District adopted the provisions for GASB Statement No. 103, *Financial Reporting Model Improvements*, effective July 1, 2025. Accordingly, the accounting changes have been retroactively applied to prior periods presented. Our opinions are not modified with respect to this matter.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements, including whether the funds established by the District, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. 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.



Madison, Wisconsin
October 7, 2026

BIG BEND WATER DISTRICT
BOARD OF TRUSTEES
AGENDA ITEM

November 3, 2026

Subject:
Business Impact Statement

Petitioner:
Colby N. Pellegrino, Deputy General Manager, Resources

Recommendations:
That the Board of Trustees determine that the proposed changes to the Big Bend Water District's Service Rules adding fees for non-essential water use as water waste will not impose a direct and significant economic burden upon a business, or directly restrict the formation, operation or expansion of a business; consider and approve the attached Business Impact Statement; and direct staff to set a public hearing for possible adoption of the proposed changes for December 1, 2026.

Fiscal Impact:
None by approval of the above recommendation.

Background:
The Big Bend Water District is proposing updates to its Service Rules that would treat all non-essential water uses, including the irrigation of non-functional turf on non-single family residential properties, as water waste subject to applicable fees.

Assembly Bill 356 (AB356), passed in the 81st Session of the Nevada State Legislature, prohibits the use of Colorado River water to irrigate non-functional turf on non-single family residential properties beginning January 1, 2027. Accordingly, properties not used exclusively as single-family residences that continue to water non-functional turf will be subject to water waste fees beginning on that date. Additionally, all other non-essential uses of water identified in the Service Rules, including water used outside prescribed limitations for manmade lakes, new development turf installations, new development spray irrigation, pools and spas, ornamental water features, recreational water parks, golf courses and evaporative cooling shall be subject to water waste fees.

On September 21, 2026, notice of the proposed changes was published in the Review-Journal and on September 23, 2026, notice was published in the Mohave Valley News and was provided to several local trade associations, businesses, and interested parties pursuant to the Business Impact Statement (BIS) statutes set forth in NRS Chapter 237. The comment period ran through October 26, 2026.

Because no public comments were received during the comment period, staff recommends that the Board of Trustees find that the proposed changes to the Service Rules will not present a direct and significant economic burden on, or directly restrict the formation, operation or expansion of a business. Staff further recommends that the Board approve the attached BIS and direct staff to set a public hearing for December 1, 2026, at 9:00 a.m. at the Clark County Government Center, Commission Chambers, 500 S. Grand Central Parkway, Las Vegas, Nevada, to consider and adopt the proposed changes to these Service Rules.

This action is authorized pursuant to NRS 237.030 through 237.150 and NRS 318.199. The office of the General Counsel has reviewed and approved this agenda item.

JJE:CNP:KH:ta
Attachment: Business Impact Statement

AGENDA ITEM # **8**

BIG BEND WATER DISTRICT

BUSINESS IMPACT STATEMENT: BIG BEND WATER DISTRICT

Summary of the potential business impacts of a proposed change to the Service Rules.

EXECUTIVE SUMMARY

Nevada law requires that local governments develop a Business Impact Statement (BIS) to gather and evaluate financial information regarding whether a proposed rule change or fee imposes a direct and significant economic burden on a business, or directly restricts the formation, operation or expansion of a business.

The Big Bend Water District (BBWD) is proposing changes to its Service Rules that would make all non-essential water uses, including the irrigation of non-functional turf on non-single family residential properties, a condition for water waste and subject to applicable fees. Assembly Bill 356 (AB356), passed in the 81st Session of the Nevada State Legislature, prohibits the use of Colorado River water to irrigate non-functional turf beginning January 1, 2027. This statement gives notice to properties that are not zoned exclusively as single-family residences that continue to water non-functional turf will be subject to water waste fees.

Additionally, all other non-essential uses of water identified in the BBWD Service Rules, including newly constructed manmade lakes, new turf installations outside of functional turf, new spray irrigation, ornamental water features, new golf courses and new evaporative cooling systems will be subject to water waste fees as noted below in the water waste fee schedule.

Water Waste Fee Schedule					
Meter Size	**1st Violation**	**2nd Violation**	**3rd Violation**	**4th Violation**	**5th Violation or More**
1" and less	$80	$160	$320	$640	$1,280
Over 1" but less than 3"	$160	$320	$640	$1,280	$2,560
3" and over	$320	$640	$1,280	$2,560	$5,120

THE BUSINESS IMPACT STATEMENT

This Business Impact Statement (BIS) was prepared in accordance with Nevada law (NRS 237.030 to 237.150), which requires local governments to solicit the input of businesses and trade associations and evaluate whether certain proposed changes are likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business. It is anticipated that this BIS will be considered by the BBWD Board of Trustees (Trustees) at its November 3, 2026 meeting and, if approved, the Service Rules and proposed fees will be considered for adoption at the Trustees' December 1, 2026 meeting, and will become effective on January 1, 2027, if approved.

A. A description of the manner in which comment was solicited from affected businesses, a summary of their responses, and an explanation of the manner in which other interested persons may obtain a copy of the summary:

Pursuant to NRS 237.080, notice of the proposed Service Rules changes was provided to approximately 70 local businesses, commercial customers, chambers of commerce, trade associations and interested parties. Additionally, notices were published in the *Review-Journal* on September 21, 2026, and in the *Mohave Valley News* on September 23, 2026. The public comment period ran through October 26, 2026, during which customers could submit comments to the BBWD via mail and email. The BBWD's website also provided information about the proposed Service Rules changes and how to submit public comment.

During the public comment period, one clarifying question was raised regarding how evaporative cooling at both new and existing facilities is classified in relation to non-essential water use and water waste. There were no public comments submitted.

Additional details regarding the public comment received can be found in the document's appendix below. Interested persons may obtain a copy of this BIS, including the foregoing summary of comments, by emailing jason.bailey@lvvwd.com.

B. The total number of businesses likely to be affected by the proposed rule:

Because very few business properties within the BBWD service area have nonfunctional turf, the estimated impact is minimal and would apply only to businesses that are not in compliance with the non-essential water use provision.

C. A list of the chambers of commerce and trade associations notified of the proposed rule:

A list of the chambers of commerce and trade associations notified of the proposed rule is included in Appendix I of this document.

D. A summary of any workshop held pursuant to NRS 237.080:

No workshops were required pursuant to NRS 237.080.

E. The estimated economic effect of the proposed rule on the businesses which it is to regulate, including, without limitation: both adverse and beneficial effects, and both direct and indirect effects:

If approved, beginning January 1, 2027, customers who do not comply with the non-essential water use provision found within the BBWD Service Rules, including the irrigation of non-functional turf on non-single family residential properties, will be subject to water waste fees as noted in the fee schedule on page 1.

Identified effects are as follows:

Adverse Effect	Businesses that currently utilize water for non-essential purposes, including the irrigation of non-functional turf on non-single family residential properties, as identified in the Service Rules, may incur costs to modify landscaping or adjust operations to comply with the proposed changes. Businesses that continue such uses after the effective date may be subject to applicable water waste fees.
Beneficial Effect	Businesses that proactively comply with the proposed changes may reduce water consumption and associated water costs. Additionally, businesses that comply with the proposed changes will remain in compliance with applicable state law requirements and avoid water waste fees.
Direct Effect	The BBWD cannot accurately quantify the economic impact on individual businesses. However, those who do not comply with proposed changes will be charged the water waste fees noted in this document.
Indirect Effect	The proposed changes support the conservation of Colorado River water resources and promote long-term water resource sustainability, which benefits the community and local economy by helping to preserve a reliable water supply for all BBWD customers.

F. A description of the methods that the governing body of the local government or its designee considered to reduce the impact of the proposed rule on businesses and a statement regarding whether the governing body or its designee actually used any of those methods:

To help reduce the impact of the proposed rule on businesses and property owners, the BBWD, as a member agency of the Southern Nevada Water Authority, offers a Water Smart Landscapes rebate of $5 per square foot for the conversion of qualifying turf to water-efficient landscaping. The rebate helps offset landscape conversion costs, encourages compliance with the proposed rule, and supports water conservation efforts.

G. The estimated cost to the local government for enforcement of the proposed rule:

The proposed changes will not result in material administrative costs to enforce or implement.

H. If the proposed rule provides a new fee or increases an existing fee, the total annual amount the local government expects to collect and the manner in which the money will be used:

The proposed change establishes a new water waste fee and extends the applicability of said fee to include non-essential water uses identified in the BBWD's Service Rules, including the irrigation of non-functional turf on non-single family residential properties as prohibited by AB356.

Because the amount of revenue generated will depend on the number of violations that occur, the BBWD cannot reasonably estimate the total annual amount that may be collected. However, because there is little non-functional turf within the service area, the BBWD expects to collect a minimal amount of revenue as a result of these changes and fees. The BBWD's intent is to achieve compliance with state law.

Any water waste fees collected will be used in accordance with BBWD policies, and for conservation programs and initiatives.

I. If the proposed rule includes provisions which duplicate or are more stringent than federal, state, or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary:

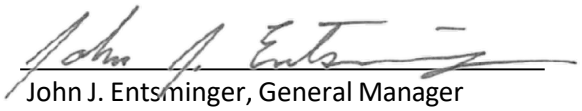
The proposed rule is not duplicative and is state law being enforced by BBWD.

J. The reason for the conclusions regarding the impact of the proposed rule on businesses:

The proposed changes and fees do not impose a direct and significant burden on businesses and are not likely to restrict the formation, operation or expansion of a business because the new water waste fee structure will only apply to those who do not comply with the non-essential water use provision, including the irrigation of non-functional turf on non-single family residential properties, found within the BBWD Service Rules.

On November 3, 2026, the BBWD Board of Trustees will consider the BIS prior to setting a Public Hearing to consider implementing the proposed changes and fees. The BIS is available for public review and comment prior to final Board decision. Also at the November 3, 2026, Board meeting, staff will recommend that the Board set a Public Hearing for December 1, 2026, as required by NRS 237.090 to consider changes to the Service Rules.

I certify that to the best of my knowledge or belief, the information contained in this statement was prepared properly and is accurate.



John J. Entsminger, General Manager

APPENDIX I

AMERICAN LEGION POST 60	N/A OASIS VISTA-59 A NEVADA LIMITED PARTNERSHIP
AQUARIUS	NELSON,BERNELL
BAYSHORE SUITES LLC	NEVADA POWER COMPANY
BILBRAY RANCH COVE EAST & WEST HOMEOWNERS ASSOCIATION	NV RESTAURANT SERVICES INC
CAESARS ENTERTAINMENT	OMNINET CROWN LLC
CENTURY LINK	PAUL EVERTS RV COUNTRY
CLARK COUNTY	PIONEER LTD PARTNERSHIP
CLARK COUNTY PUBLIC WORKS	PORTOFINO HOMEOWNERS ASSOCIATION
CLARK COUNTY SCHOOL DISTRICT	PRICELESS OUTLETS LV AT LAUGHLIN
CLARK COUNTY WATER RECLAMATION DISTRICT	QUAIL RIDGE LAUGHLIN CONDOMINIUM ASSOC. INC.
CLARK COUNTY WATER RECLAMATION DISTRICT	RB PROPERTIES INC
CLARK COUNTY WATER RECLAMATION DISTRICT	REPUBLIC SILVER STATE DISPOSAL INC
COKER ELLSWORTH DEVELOPMENT LLC	RIVERSIDE RESORT & CASINO INC
COLORADO BAY CLUB OWNERS ASSOCIATION	RIVERSIDE RESORT AND CASINO INC
COLORADO BELLE	RIVERWOOD APTS I
COLORADO BELLE HOTEL & CASINO	RIVERWOOD APTS II
COLORADO RIVER FOOD BANK	SAMM INVESTMENTS NEVADA LLC
DEER PARK DEVELOPMENT	SOUTH BAY HOA
DEPARTMENT OF WILDLIFE	SOUTHERN NV TRANSIT COALITION
DJCS	SPINNAKER BAY HOMEOWNERS ASSOCIATION
EDGEWATER HOTEL CASINO LAUGHLIN	ST JOHNS CATHOLIC CHURCH
FAMILY DOLLAR 31741	STATE OF NEVADA
GOLDEN NUGGET LAUGHLIN	SUNLAND ASPHALT
HERITAGE LAUGHLIN HOMEOWNERS ASSOCIATION	TERRIBLE HERBST INC
IN-N-OUT BURGERS	TROPICANA LAUGHLIN LLC
JAN SHIPKEY TRUST ET AL	US BUREAU OF RECLAMATION DAVIS DAM FIELD DIVISION
KNOLL,WALTER	USPS LAUGHLIN
LAS PALMAS HOMEOWNERS ASSOCIATION	VISTA CREEK APARTMENTS LLC
LAS VEGAS CLARK COUNTY LIBRARY DISTRICT	ASIAN CHAMBER OF COMMERCE
LAUGHLIN BAY VILLAGE HOMEOWNERS ASSOCIATION	BOULDER CITY CHAMBER OF COMMERCE
LAUGHLIN CHAMBER OF COMMERCE	HENDERSON CHAMBER OF COMMERCE
LAUGHLIN COMMUNITY CHURCH	LAS VEGAS METRO CHAMBER OF COMMERCE
LAUGHLIN MB LLC	LATIN CHAMBER OF COMMERCE
LEGACY RACING ASSOCIATION LLC	URBAN CHAMBER
LONGIFLORA LLC	WOMEN'S CHAMBER OF COMMERCE OF NV
MONTE DEL SOL HOMEOWNERS ASSOCIATION	

BIG BEND WATER DISTRICT
BOARD OF TRUSTEES
AGENDA ITEM

November 3, 2026

Subject:
Annual Financial Report

Petitioner:
Paul Johnson, Chief Financial Officer

Recommendations:
That the Board of Trustees accept the Big Bend Water District's Annual Financial Report, including the corresponding Independent Auditors' Report on Financial Statements and Other Supplementary Information for the Fiscal Year ended June 30, 2026, and authorize its submission to the Nevada Department of Taxation.

Fiscal Impact:
None by approval of the above recommendation.

Background:
The Las Vegas Valley Water District (District), as operating agent for the Big Bend Water District (BBWD), prepared an Annual Financial Report (AFR) for the Fiscal Year ended June 30, 2026. This report contains the BBWD's financial statements and the related notes to the financial statements, which were audited by the District's independent auditor, Baker Tilly US, LLP, who then prepared an Independent Auditor's Report on Financial Statements that is included within the report. The AFR is also comprised of Other Supplementary Information as required by the Nevada Department of Taxation.

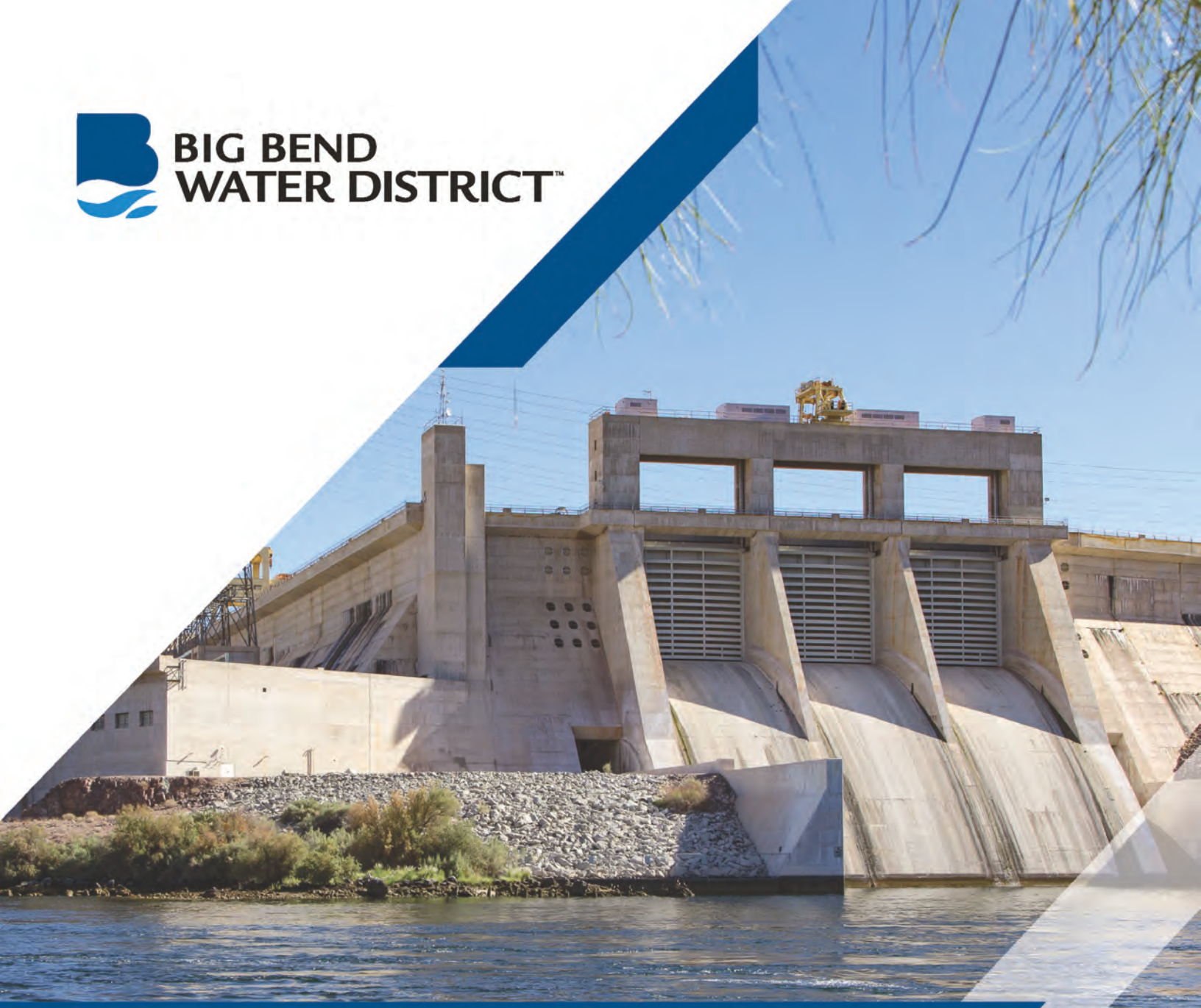
The BBWD AFR, containing the Independent Auditor's Report on Financial Statements and the Other Supplementary Information, which was submitted to the Board of Trustees within the 30-day period preceding this meeting, is now presented to the Board of Trustees for approval as required by NRS 354.624(6). Upon acceptance, the AFR will be submitted to the Nevada Department of Taxation in accordance with NRS 354.624(6) and applicable State of Nevada regulations.

This action is authorized pursuant to NRS 354.624. The office of the General Counsel has reviewed and approved this agenda item.

JJE:PJ:MSH:ET:kn
Attachment: Big Bend Water District Annual Financial Report

AGENDA ITEM # 9

BIG BEND WATER DISTRICT™



Annual Financial Report

A Discretely Presented Component Unit of Clark County, Nevada for Fiscal Year Ended June 30, 2026

On the Cover

Davis Dam spans the Colorado River along the Arizona–Nevada border near Laughlin, Nevada. The dam plays a vital role in managing Colorado River flows by regulating releases from Hoover Dam upstream and helping ensure the reliable delivery of water to communities, businesses and agricultural users throughout Nevada, Arizona, California and Mexico.

Just downstream of Davis Dam, the Big Bend Water District (BBWD) draws water directly from the Colorado River. The water is treated to meet or exceed all state and federal drinking water standards before being delivered to homes, businesses and resorts throughout Laughlin. BBWD provides safe, reliable drinking water to approximately 9,000 residents and nearly 2 million visitors each year.

BIG BEND WATER DISTRICT™

Basic Financial Statements and
Government Auditing Standards Report

For the Fiscal Year Ended June 30, 2026

John J. Entsminger
General Manager

Paul Johnson
Chief Financial Officer

Mariliese S. Horsewood
Director of Finance/Controller

Prepared by the Accounting Division of the Finance Department
of the Las Vegas Valley Water District

1001 South Valley View Boulevard, Las Vegas, Nevada 89153
(702) 258-8809 www.lvvwd.com

BIG BEND WATER DISTRICT
Map of Service Area
As of June 30, 2026



TAO 32003_X0026 4/13/2026

BIG BEND WATER DISTRICT
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For the Fiscal Year Ended June 30, 2026

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Independent Auditors' Report

Independent Auditors' 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* 18

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Financial Section

- Independent Auditors' Report
- Basic Financial Statements
- Notes to Basic Financial Statements
- Supplementary Information

BIG BEND WATER DISTRICT™

Independent Auditors' Report

To the Board of Trustees of
Big Bend Water District

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Big Bend Water District (District), a discretely presented component unit of Clark County, Nevada, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2026, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the District adopted the provisions of GASB Statement No. 103, *Financial Reporting Model Improvements*, effective July 1, 2025. Our opinion is not modified with respect to this matter

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error..

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' 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 auditors' 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 *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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis 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 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2026

BIG BEND WATER DISTRICT
Statement of Net Position
As of June 30, 2026

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents, unrestricted	$ 1,841
Accounts receivable, net of allowance for doubtful accounts	576,529
Total current assets	578,370
NONCURRENT ASSETS	
Capital assets, net of accumulated depreciation:	
Construction in progress	268,780
Property, plant, and equipment	63,153,212
Accumulated depreciation	(40,532,111)
Total noncurrent assets	22,889,881
TOTAL ASSETS	23,468,251
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	26,000
Due to other government	2,351,198
Customer deposits	68,693
Total current liabilities	2,445,891
NONCURRENT LIABILITIES	
Due to other government	459,072
Total noncurrent liabilities	459,072
TOTAL LIABILITIES	2,904,963
DEFERRED INFLOWS OF RESOURCES	
Deferred amount, other government	705,522
Total liabilities and deferred inflows of resources	3,610,485
NET POSITION	
Net investment in capital assets	22,889,881
Unrestricted (deficit)	(3,032,115)
Total net position	19,857,766
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 23,468,251

See accompanying notes to basic financial statements.

BIG BEND WATER DISTRICT

Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2026

OPERATING REVENUES		
Water sales	$	4,417,762
OPERATING EXPENSES		
Salaries and benefits		1,933,902
Energy		451,797
Operations and maintenance		1,791,766
Depreciation		1,981,497
Total operating expenses		6,158,962
OPERATING LOSS		(1,741,200)
OTHER NONOPERATING REVENUES		
Capital contributions		335,237
Total other nonoperating revenues		335,237
CHANGE IN NET POSITION		(1,405,963)
NET POSITION, BEGINNING OF YEAR		21,263,729
NET POSITION, END OF YEAR	$	19,857,766

See accompanying notes to basic financial statements.

BIG BEND WATER DISTRICT
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2026

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$	4,371,965
Cash payments for employees for services		(1,918,409)
Cash payments to suppliers for goods and services		(2,703,222)
Net cash used in operating activities		(249,666)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets		(350,615)
Capital contributed		600,165
Net cash provided by capital and related financing activities		249,550
NET DECREASE IN CASH AND CASH EQUIVALENTS		(116)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,957
CASH AND CASH EQUIVALENTS AT END OF YEAR	$	1,841

RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES

Operating loss	$	(1,741,200)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation		1,981,497
Decrease in operating assets and deferred outflows:		
Account receivable		(46,329)
Deferred amount, other government		625,386
Increase/(decrease) in operating liabilities and deferred inflows:		
Accounts payable		2,851
Customer deposits		531
Due to other government, accounts payable		(462,509)
Due to other government, pension and OPEB		(609,893)
Net cash used in operating activities	$	(249,666)

See accompanying notes to basic financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

The Big Bend Water District (District) was established in 1983 under the provisions of Nevada Revised Statutes (NRS or Nevada Statutes) 318 for the purpose of obtaining and distributing water in Laughlin, Nevada. Under the 1922 Colorado River Compact, the State of Nevada is allocated 300,000 acre feet per year (AFY) of Colorado River water, from which the District obtains water for distribution under a Colorado River water delivery contract, which provides the District with 10,000 AFY of Colorado River water. An additional 5,352 AFY of Colorado River water is allocated to the District under a cooperative agreement. Historically, the District has utilized approximately 5,000 of its 15,352 total available AFY of Colorado River water. The District currently provides potable water service in Laughlin, Nevada, to a population of approximately 9,000 to 10,000.

The Clark County Board of Commissioners serves as the District's Board of Trustees (the Board); and therefore, the District is included within the Clark County, Nevada Annual Comprehensive Financial Report as a discretely presented component unit. For purposes of these financial statements, the District is the reporting entity.

In evaluating how to define the financial reporting entity, management considered all potential component units using standards prescribed under Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34.* Component units would include any legally separate organizations for which the Board appoints a voting majority of the organization's governing body and (1) is able to impose its will on that organization, or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on the District. Based on these criteria, no component units or other reportable organizations were identified.

The Board appoints an operating agent to manage the day-to-day operations of the District. The Las Vegas Valley Water District (LVVWD) was appointed to be the District's operating agent beginning in September 2008. Prior to this appointment, the District's operating agent was the Clark County Water Reclamation District (CCWRD).

LVVWD was created under a special act of the State of Nevada Legislature in 1947 for the purpose of obtaining and distributing water primarily in the Las Vegas Valley, which includes the metropolitan area of Clark County and the City of Las Vegas. LVVWD's Annual Comprehensive Financial Report (Annual Report) can be obtained by writing to:

Chief Financial Officer
Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

During the year ended June 30, 2026, LVVWD paid all operating expenses on behalf of the District and billed the District for such expenses.

The District has no employees of its own; and therefore, during the year ended June 30, 2026, all District operating activities were performed by LVVWD employees. Consequently, any financial reporting requirements regarding employees utilized by the District including, but not limited to, reporting on post-employment benefits and pensions can be found in LVVWD's Annual Report.

In 1991, the Southern Nevada Water Authority (SNWA), a political subdivision of the State of Nevada, was created under the provisions of NRS 277.080 to 277.180 and by a cooperative agreement among the District, LVVWD, CCWRD, the City of Boulder City, the City of Henderson, the City of Las Vegas, and the City of North Las Vegas (member agencies). SNWA's primary functions are to secure additional supplies of water and effectively manage existing supplies of water on a regional basis through the cooperative action of the member agencies.

The cooperative agreement was last amended in 2005. SNWA is governed by a seven-member board of directors, comprised of one director from each member agency. LVVWD is also the operating agent for SNWA, and LVVWD's General Manager and Chief Financial Officer are also SNWA's General Manager and Chief Financial Officer, respectively.

SNWA has the power to periodically assess the member agencies directly for operating and capital costs and for the satisfaction of any liabilities imposed against SNWA. The District and other members do not have an express claim to the resources of SNWA except that, upon termination of the cooperative agreement, any assets remaining after payment of all obligations shall be returned to the contributing member agencies. For this reason, the District records capital contributions to SNWA as an operating expense. SNWA's Annual Report can be obtained by writing to:

Chief Financial Officer
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Basic Financial Statements

The government-wide/proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows, and present information for the District's non-fiduciary activities, which consist solely of business-type activities that are accounted for in a single proprietary (enterprise) fund. The District does not currently maintain any governmental or fiduciary fund types.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide/proprietary fund financial statements are reported on the economic resources measurement focus and the accrual basis of accounting, in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and GASB pronouncements. The District adheres to all applicable financial accounting and reporting standards of the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. In this regard, the District's operations are accounted for in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing goods and services to customers on a continuing basis are financed or recovered primarily through user charges, and its financial measurement focus is on determination of net position and cash flows.

Proprietary funds distinguish between operating and nonoperating revenues and expenses in accordance with GASB Statement No. 103, *Financial Reporting Model Improvements*. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Operating revenues include revenues derived from water sales and operating expenses include all expenses applicable to the furnishing of these services.

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

Cash and Cash Equivalents

The District's cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition are cash and cash equivalents.

At June 30, 2026, all District cash and cash equivalents were deposited with LVVWD, the District's operating agent, in a manner like an external investment pool. The amounts deposited with LVVWD are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty; and therefore, they are

deemed to be cash equivalents (Note 3). Cash and cash equivalents deposited with financial institutions are partially insured by the Federal Deposit Insurance Corporation (FDIC) and are further secured by collateral pledged by individual financial institutions with the State of Nevada, Office of the State Treasurer, in the Pooled Collateral for Deposits Program.

Receivables

At June 30, 2026, accounts receivable of $576,529 consists primarily of unbilled and/or uncollected water sales, which are expected to be collected within one year. At June 30, 2026, an allowance for uncollectible accounts balance of $11,224 was recorded as an offset to accounts receivable.

When available, the District seeks other available sources to fund capital projects such as grants. At June 30, 2026, the District had no grants receivables.

Capital Assets

Capital assets include structures, improvements, and equipment and are recorded at cost where historical records are available and, if no historical records exist, at estimated cost (Note 3). Donated capital assets, if any, are recorded at engineering estimates of acquisition value on the date received. Capital assets are defined as assets with an initial cost of at least $10,000 and an estimated useful life of three years or more. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's functionality are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives as follows:

Assets	Estimated Useful Life in Years
Equipment	3 - 10
Meters/Services	20 - 30
Structures and improvements	5 - 50
Telemetering/Valves and Miscellaneous	10 - 75
Transmission/Distribution/Mains	50 - 75

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

Noncapital subsidies are defined as (a) resources received from another party or fund (1) for which the proprietary fund does not provide goods and services to the other party or fund and (2) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise; (b) resources provided to another party or fund (1) for which the other party or fund does not provide goods and services to the proprietary fund and (2) that are recoverable through the proprietary fund's current or future pricing policies; or (c) all other transfers.

Other nonoperating revenues and expenses include interest, investment and financing revenues and expenses, gain/loss on sale of capital assets and capital contributions.

Capital Contributions

Capital contributions consist of shared sales tax revenue of $335,237. No distinction is made between property acquired through capital contributions and property purchased from operating funds.

Net Position

Net position is displayed in two components:

(1) Net investment in capital assets, net of related debt represents the District's equity interest in its capital assets. It reflects the cost of capital assets less accumulated depreciation and less the outstanding principal of related debt, excluding unspent proceeds.

(2) Unrestricted net position (deficit) represents fund equity balance that does not meet the definition of net position invested in capital assets.

Use of Estimates

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. These estimates may require revision in future periods.

New Accounting Pronouncements

In April 2024, the 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. The requirements of this Statement were implemented effective July 1, 2025. The Statement of Revenues, Expenses and Changes in Net Position were updated to reflect the new format and classification of certain revenues and expenditures.

In September 2024, the 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. The requirements for this Statement were implemented effective July 1, 2025.

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The statement defines subsequent events and clarifies the events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements for this Statement are effective for fiscal years beginning after June 15, 2026. The District is currently evaluating how the adoption of Statement No. 105 will affect the District's financial position, results of operations, or cash flows.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District's budget is adopted annually by its Board of Directors. According to NRS 354.596, the District must submit a tentative budget to the Nevada Department of Taxation on or before April 15 and provide notice of the budget's public hearing no more than 14, nor less than seven days, before the date set for the public hearing. Although not required, the District typically holds a budget workshop in April. The budget workshop is conducted in a public meeting which includes opportunity for public comment. The public hearing is typically held on the third Monday in May and is also a public meeting. NRS 354.598 requires that, subsequent to conducting the public hearing, the Board adopt a final budget for the District and transmit it to the Nevada Department of Taxation no later than June 1. The final budget's appropriations lapse at the end of the budget's fiscal year.

NRS 354.626 generally prohibits expenditures in excess of appropriations at the function level, which is the legal level of budgetary control. Budget transfers are reviewed by the Finance Department. Augmentations to increase

total appropriations are accomplished by formal Board action. The District did not exceed its authorized appropriations in the fiscal year ended June 30, 2026. For a comparison of the results of financial activities to the final budget, see the Other Supplementary Information section directly following the notes to the basic financial statements.

NOTE 3. SELECT DETAILED STATEMENT OF NET POSITION INFORMATION

Cash and Cash Equivalents

At June 30, 2026, all the District's cash and cash equivalents were deposited with LVVWD, the District's operating agent, in a manner like an external investment pool. The amounts deposited with LVVWD are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty; and therefore, they are deemed to be cash equivalents.

LVVWD invests monies held on behalf of the District through a pooling of monies, which are invested as a whole and not as a combination of monies. In this manner, LVVWD can invest the monies at a higher interest rate for a longer period. Due to the nature of the pooling, it is not possible to separately identify any specific investment as being that of the District. Instead, the District owns a proportionate share of each investment. Investment income is apportioned monthly based on the average daily cash balance of the component for the month.

The fair value of the District's position in the pooled monies is equal to the value of the District's proportionate share of the pooled monies. LVVWD, and therefore, the District, has a formal investment policy that is designed to ensure conformity with NRS 356.020 establishing a Nevada State Treasurer's Pooled Collateral Program for local governments. The primary objective of the collateral pool is to reduce the risk for government agencies, while at the same time, decrease the overall collateral requirement for depositories. By centralizing the administration and reporting functions through the State Treasurer's Office, both government agencies and depositories realize cost savings in terms of operational support and collateral efficiency. The bank utilized by the District participates in the pool by pledging securities for the District's monies on deposit. The collateral pool for public fund deposits administered and monitored by the Nevada State Treasurer's Pooled Collateral Office requires depository banks to place acceptable securities of no less than 102 percent of the fair value of the aggregate total deposits of public entities in Nevada with a third-party custodian.

The District is committed to minimizing the investment related risks of its financial assets and ensuring the safety, liquidity, and yield of it's portfolio.

Capital Assets

For the fiscal year ended June 30, 2026, changes in capital assets were as follows:

	Balance July 1, 2025	Increases	Decreases	Balance June 30, 2026
Capital assets, not depreciated:				
Construction in progress	$ 3,215	$ 350,615	$ (85,050)	$ 268,780
Capital assets, depreciated:				
Structures and other improvements	59,399,404	76,151	—	59,475,555
Equipment	3,688,155	—	(10,498)	3,677,657
Total capital assets, depreciated	63,087,559	76,151	(10,498)	63,153,212
Accumulated depreciation:				
Structures and other improvements	(36,691,211)	(1,774,973)	—	(38,466,184)
Equipment	(1,878,801)	(187,126)	—	(2,065,927)
Total accumulated depreciation	(38,570,012)	(1,962,099)	—	(40,532,111)
Total capital assets, net	$ 24,520,762	$ (1,535,333)	$ (95,548)	$ 22,889,881

Due to Other Government

Current

In June 2019, the LVVWD set up a trust to provide a means to fund postemployment benefits other than pensions (OPEB). As of June 30, 2026, the District's initial contribution of $153,650 to fund its share of the OPEB trust is included in due to other government, current. Also, included in due to other government, current is $2,197,548 representing the amount due to LVVWD for reimbursement of expenses paid on behalf of the District. The total amount paid by LVVWD during the fiscal year for capital and operating expenditures, debt service payments, and administrative expenses was $4,512,272. This was offset by the water sales cash receipts, sales tax receipts, and grant receivable cash receipts collected by LVVWD on behalf of the District totaling $4,972,130.

Noncurrent

Effective July 1, 2014, the LVVWD implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27.* Because of this implementation, the LVVWD allocated a portion of the net pension liability to the District. For the fiscal year ended June 30, 2026, the allocated net pension liability is $500,157.

Effective July 1, 2017, the LVVWD implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. This Statement replaced the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multi-Employer Plans*, for OPEB. Because of this implementation, the LVVWD allocated a portion of the liability related to postemployment benefits other than pensions (OPEB) to the District. For the fiscal year ended June 30, 2026, the LVVWD OPEB plan's fiduciary net position was 115.2 percent of the total OPEB liability, allocating a net OPEB asset of $41,085 to the District.

As of June 30, 2026, net due to other government, noncurrent is $459,072. Although the implementations of GASB Statements No. 75 and 68 were not applicable to the District, the District is liable to the LVVWD for its proportionate share of the OPEB and pension liabilities.

The following chart summarizes the payable balances reflected in due to other government at June 30, 2026:

Current		
Initial OPEB Trust contribution	$	153,650
Reimbursement amount due to LVVWD		2,197,548
Total current		2,351,198
Noncurrent		
Allocated portion of LVVWD pension obligation		500,157
Allocated portion of LVVWD OPEB asset		(41,085)
Total noncurrent		459,072
Total due to other government	$	2,810,270

Direct Borrowings

As of June 30, 2026, the District does not have direct borrowings or assets pledged as collateral. The District does not have terms specified in its debt agreements related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, or (3) subjective acceleration clauses.

Debt Covenants

Management believes that the District has complied with all legal requirements, limitations, and restrictions imposed by debt covenants. The District is required to set user charges (primarily water rates) at levels sufficient to cover all operating and maintenance expenses (excluding depreciation), all debt service requirements and amounts pertaining to the water system, and to comply with the requirements of the Safe Drinking Water Act and 40 CFR Part 31. Other requirements of debt covenants include the District foregoing any action or not omitting to take any action that would cause paid bond interest to lose its federal tax-exempt status.

NOTE 4. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In fiscal year 2016, the LVVWD implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which resulted in the recognition of deferred amounts related to its pension. In fiscal year 2018, the LVVWD implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which resulted in the recognition of deferred amounts related to its postemployment benefits other than pensions. The District's deferred amounts are its recognition of its share of the LVVWD's deferrals described above. As of June 30, 2026, the District had no deferred outflows of resources and $705,522 of deferred inflows of resources due to other governments.

NOTE 5. RISK MANAGEMENT

The District's operating activities are comprised primarily of obtaining and distributing water in Laughlin, Nevada; and therefore, realization of the District's receivables and its future operations could be affected by an adverse change in the economic conditions in the area.

The District is exposed to various risks of loss related to torts; theft of, or damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains a risk management program to assess coverage of potential risks of loss. Beginning in September 2008, the District was included in LVVWD's risk management programs and as such assumes the same risks and receives the same benefits from such programs as LVVWD.

LVVWD CI, Inc. (LVVWD CI) was established as of January 1, 2022 to act as a captive insurance company for LVVWD. LVVWD self-insures the first $1 million of property, automobile, general liability, public officials and employment practices liability claims, the first $750,000 of workers compensation claims, the first $250,000 in pollution claims, and the first $150,000 in cyber liability claims through the captive, and purchases $20 million of excess liability insurance. The District also purchases a variety of additional smaller insurance policies to meet operational needs and risk thresholds, including an employee fidelity insurance policy in the amount of $3 million. For the fiscal year ended June 30, 2026, the District had no significant reductions in insurance coverage from the prior fiscal year.

The LVVWD procures property insurance on behalf of the District covering its buildings, contents, and equipment from the commercial insurance market. The blanket limit of liability under the property insurance program is $600 million with a deductible of $1 million for all locations, except earthquake and flood which has a limit of $100 million and $50 million. This program also provides terrorism insurance for all locations with a blanket limit of $200 million for all terrorist acts with a deductible of $1 million. The District self-insures its fleet of vehicles for property damage.

LVVWD settlements and awards have not exceeded insurance coverage in each of the past three years.

GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,* requires that for retained risks a liability for claims be reported if information available prior to issuance of the financial statements indicates 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. In addition, there are also situations in which incidents occur before the balance sheet date, but claims are not reported or asserted when the financial statements are prepared. These incurred but not reported claims have been estimated based upon the District's past experience and adjusted for current trends. At June 30, 2026, the District had no significant retained risks; and therefore, has no accrued liability for retained risks. Information regarding LVVWD's retained risks can be found in LVVWD's Annual Comprehensive Financial Report, which can be obtained by writing to:

Chief Financial Officer
Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

NOTE 6. CONTINGENT LIABILITIES

In the ordinary course of its operations, claims are filed against the District. It is the opinion of management that these claims will not have any material adverse effect on the District's financial position, results of operation, or cash flows.

The District does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when services are rendered.

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

NOTE 7. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 7, 2026, the date the basic financial statements were available to be issued. No material events were identified that require disclosure.

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Supplementary Information

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BIG BEND WATER DISTRICT

Supplementary Information

Budgetary Comparison - Statement of Revenues, Expenses and Changes in Net Position,

For the Fiscal Year Ended June 30, 2026

	Budget	Actual
OPERATING REVENUES		
Water sales	$ 4,215,279	$ 4,417,762
OPERATING EXPENSES		
Salaries and benefits	1,993,232	1,933,902
Purchased energy	500,000	451,797
Operations and maintenance	1,875,679	1,791,766
Depreciation	1,759,361	1,981,497
Total operating expenses	6,128,272	6,158,962
OPERATING LOSS	(1,912,993)	(1,741,200)
OTHER NONOPERATING REVENUES		
Capital contributions	728,003	335,237
Total other nonoperating revenues	728,003	335,237
CHANGE IN NET POSITION	$ (1,184,990)	$ (1,405,963)

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS

BIG BEND WATER DISTRICT™

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*

Independent Auditors' Report

To the Board of Trustees of
Big Bend Water District

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 (*Government Auditing Standards*), the financial statements of the Big Bend Water District (the District), a discretely presented component unit of Clark County, Nevada, which comprise the District's statement of net position as of June 30, 2026, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 7, 2026. As discussed in Note 1, the District adopted the provisions for GASB Statement No. 103, *Financial Reporting Model Improvements*, effective July 1, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements, including whether the funds established by the District, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. 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.

Baker Tilly US, LLP

Madison, Wisconsin
October 7, 2026