Reports of Independent Auditors and
Schedule of Expenditures of Federal Awards

City of Reno, Nevada
Federal Grant Programs

June 30, 2025

bakertilly

Table of Contents

	Page
Report of Independent Auditors 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*	**1**
Report of Independent Auditors on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	**3**
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	11
Schedule of Findings and Questioned Costs	12
Corrective Action Plan	14

Report of Independent Auditors 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*

Honorable Mayor and City Council Members
City of Reno, Nevada

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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Reno, Nevada (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 26, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Medford, Oregon
November 26, 2025

Report of Independent Auditors on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Honorable Mayor and City Council Members
City of Reno, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Reno, Nevada's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards,* and the Uniform Guidance, we

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

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001, to be a significant deficiency.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Reno, Nevada, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Reno, Nevada's basic financial statements. We issued our report thereon dated November 26, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Medford, Oregon
February 24, 2026

City of Reno, Nevada
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
U.S. Department of Agriculture				
Direct Programs:				
Watershed Rehabilitation Program	10.916	NR209327XXXXC001	$ 303,299	$ -
US Department of Agriculture, Forest Service				
USDA Urban and Community Forest Grant	10.727	24-DG-11046013-604	13,149	
Total U.S. Department of Agriculture			316,448	-
U.S. Department of Housing and Urban Development				
Direct Programs:				
Community Development Block Grant Cluster Entitlement/Special Purpose Grants				
Community Development Block Grants-Entitlement	14.218	B-(19-23)-MC-32-0002	662,567	-
Community Development Block Grants - Admin	14.218	B-21-MC-32-0002	33,385	-
Community Development Block Grants - Admin	14.218	B-23-MC-32-0002	241,543	
COVID-19 Community Development Block Grants-CV (CARES Act Funding)	14.218	B-20-MW-32-0002	81,478	
COVID-19 Community Development Block Grants-CV (CARES Act Funding)	14.218	B-20-MW-32-0002	201,946	-
Total Community Development Block Grant Cluster Entitlement/Special Purpose Grants			1,220,919	-
Direct Programs:				
Emergency Solutions Grants Program	14.231	E-23-MC-32-0002 / E-24-MC-32-0002	136,169	-
Emergency Solutions Grants Program-Admin	14.231	E-24-MC-32-0002	20,743	-
Sub-total ALN 14.231			156,912	-
Direct Programs:				
HOME Investment Partnerships Program	14.239	M-21-DP-32-0234	2,584,359	261,586
Passed through Nevada State Housing Division:				
HOME Investment Partnerships Program	14.239	M24-SG320100	355,955	-
Sub-total ALN 14.239			2,940,314	261,586
Direct Programs:				
Economic Development Initiative, Community Project Funding & Misc Grants	14.251	NV0121L9T011900	916,031	-
Total U.S. Department of Housing and Urban Development			5,234,176	261,586

See notes to schedule of expenditures of federal awards.

City of Reno, Nevada
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
U.S. Department of the Interior				
Direct Programs:				
Historic Preservation Fund Grants Underrepresented Communities	15.904	P24AP00203-00	50,200	-
Passed through the NV State Historic Preservation Office:				
Historic Preservation Fund Grants In-Aid	15.904	NV-23-10009	18,526	-
Historic Preservation Fund Grants In-Aid	15.904	NV-24-10010	4,242	-
Sub-total ALN 15.904			22,768	-
Passed through the Nevada Division of State Parks				
Land and Water Conservation Fund Project Grants	15.916	32-00407	197,000	-
Total U.S. Department of Interior			269,968	-
U.S. Department of Justice				
Direct Programs:				
COPS Technology and Equipment Program	16.710	15JCOPS-23-GG-01710-TEP	307,881	-
COPS Recruitment Microgrant	16.710	15JCOPS-23-GG-02002-PPSE	63,944	-
Sub-total ALN 16.710			371,825	-
JAG Program:				
Edward Byrne Memorial Justice Assistance Grant Program-FY21	16.738	15BPJA-21-GG-01710-JAGX	35,534	35,534
Edward Byrne Memorial Justice Assistance Grant Program-FY22	16.738	15PBJA-22-GG-02180-JAGX	48,437	28,556
Edward Byrne Memorial Justice Assistance Grant Program-FY23	16.738	15PBJA-23-GG-03654-JAGX	65,776	60,052
Edward Byrne Memorial Justice Assistance Grant Program-FY24	16.738	15PBJA-24-GG-05299-JAGX	10,688	-
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Human Exploitation and Trafficking Team - FY24	16.738	23-JAG-08	35,772	-
Human Exploitation and Trafficking Team - FY25	16.738	23-JAG-17	25,572	-
Edward Byrne Memorial Justice Assistance Grant Program CY24	16.738	23-JAG-07	52,569	-
Edward Byrne Memorial Justice Assistance Grant Program CY25	16.738	23-JAG-16	12,220	-
Patrol Breaching Grant - CY25	16.738	21-JAG-41	44,100	-
Sub-total ALN 16.738			330,668	124,142

See notes to schedule of expenditures of federal awards.

City of Reno, Nevada
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
Direct Programs:				
Equitable Sharing Program	16.922		84,332	-
Wellness Appropriation - FY24	16.753	15PBJA-24-GG-00211-BRND	213,328	-
Co-Occurring Disorders Court/Young Adult Recovery Court/Fresh Start	16.585	2023-15PBJA-23-GG-04296-DGCT	169,471	-
Drug Court Discretionary Grant Program - Reno Municipal Court Community Court	16.585	2023-15PBJA-23-GG-05104-DGCT	171,875	-
Sub-total ALN 16.585			341,346	-
Passed through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Crime Victim Assistance Grant	16.575	16575-23-031	82,762	-
Passed through Nevada Office of Attorney General:				
Violence Against Women Formula Grants	16.588	2024-VAWA-27	142,177	-
Violence Against Women Formula Grants	16.588	2025-VAWA-27	11,354	-
Sub-total ALN 16.588			153,531	-
Total U.S. Department of Justice			1,577,792	124,142
U.S. Department of Transportation				
Direct Programs:				
High Priority Motor Carrier Safety Assistance Program				
FMCSA Cluster	20.237	FM-MHP-0772-23-01-00	186,543	-
Passed through Nevada Department of Public Safety, Office of Traffic Safety:				
Highway Safety Cluster				
National Priority Safety Program 23-24	20.616(h)	TS-2024-RPD-00060	18,764	-
National Priority Safety Program 24-25	20.616(h)	TSEP-2025-RPD-00052	70,411	-
Total Highway Safety Cluster			89,175	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated 23-24	20.608	TS-2024-RPD-00059	29,638	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated 24-25	20.608	TSEP-2025-RPD-00051	52,794	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	JF-2024-RPD-00045	28,322	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	JF-2025-RPD-00049	61,709	-
Sub-total ALN 20.608			172,463	-

See notes to schedule of expenditures of federal awards.

City of Reno, Nevada
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
Passed through Nevada Department of Transportation				
Highway Planning and Construction				
Highway Planning and Construction Project Grant (TAP Program)	20.205	PR559-22-063	55,708	-
Highway Planning and Construction Project Grant (TAP Program)	20.205	PR388-24-063	115,353	-
Highway Planning and Construction Project Grant (TAP Program)	20.205	PR359-24-063	77,900	-
Sub-total ALN 20.205			248,961	-
Total U.S. Department of Transportation			697,142	-
U.S. Department of Veterans Affairs				
Passed through the U.S. Olympic Committee:				
VA Assistance to United States Paralympic Integrated Adaptive Sports Program	64.034	N/A	55,187	
Total U.S. Department of Veterans Affairs			55,187	-
US Department of the Treasury				
Direct Program:				
COVID-19 Emergency Rental Assistance Program	21.023		44,299	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		14,626,821	980,615
Passed thru Washoe County, Nevada				
Truckee River Rangers - ORG0606 Washoe ARPA-SLFRF	21.027		200,000	-
Sub-*total ALN 21.027*			14,826,821	980,615
Total U.S. Department of the Treasury			14,871,120	980,615
National Endowment of the Arts				
Direct Programs:				
Promotion of the Arts Grants to Organizations and Individuals	45.024	1887874-62-22	20,000	-
Promotion of the Arts Grants to Organizations and Individuals	45.024	1912588-62-23	20,000	-
Total National Endowment of the Arts			40,000	-
National Endowment for the Humanities				
Passed through Nevada Humanities				
National Endowment for the Humanities Promotion of the Humanities Federal State Partnerships	45.129	2024-15MP	5,625	-
Total National Endowment for the Humanities			5,625	-

See notes to schedule of expenditures of federal awards.

City of Reno, Nevada
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Award Number or Pass-Through Award Number	Federal Expenditures	Payments to Subrecipients
U.S. Environmental Protection Agency				
Direct Programs:				
Brownsfields Assessments and Cleanup Cooperative Agreement	66.818	98T07301	242,460	-
Passed through Nevada Division of Environmental Protection				
Nonpoint Sourcs 319(h) C9-97908121- Chalk Creek	66.460	DEPS 21-031	27,123	-
Total U.S. Environmental Protection Agency			269,583	-
U.S. Department of Homeland Security				
Direct Programs:				
Assistant to Firefighters Grant	97.044	EMW-2023-FG-02410	228,622	-
Assistant to Firefighters Grant	97.044	EMW-2023-FP-00689	119,171	-
Sub-total ALN 97.044			347,793	-
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2020-FF-00435	305,199	-
Emergency Management Performance Grant (Quarters 1-3)	97.042	DHS-23-GPD-042-01-01	43,242	-
Emergency Management Performance Grant 4th Quarter	97.042	DHS-24-GPD-042-01-99	133,117	-
Sub-total ALN 97.042			176,359	-
Passed through the United Way:				
Emergency Food and Shelter National Board Grant	97.024	LRO-589600-023	43,353	-
Total U.S. Department of Homeland Security			872,704	-
Total Expenditures of Federal Awards			$ 24,209,745	$ 1,366,343

See notes to schedule of expenditures of federal awards.

City of Reno, Nevada
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Reno, Nevada (the City), under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the City.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 – Indirect Cost Rate

The City has not elected to use the de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 – Outstanding Loan Balances

The federal loan programs listed below are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans made during the year are included in the federal expenditures presented in the Schedule. Outstanding balances do not have continuing compliance requirements.

At June 30, 2025, outstanding loan balances were as follows:

Federal Assistance Listing Number	Program Title	Loan Balance Receivable
14.239	HOME Investment Partnerships Program	$ 46,865,477
		$ 46,865,477

City of Reno, Nevada
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☒ Yes ☐ No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

Federal Assistance Listing Number	*Name of Federal Program or Cluster*	*Type of Auditor's Report Issued on Compliance for Major Federal Programs*
14.218	Community Development Block Grant Cluster Entitlement/Special Purpose Grants	*Unmodified*
14.239	HOME Investment Partnerships Program	*Unmodified*
14.251	Economic Development Initiative, Community Project Funding, and Misc. Grants	*Unmodified*

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

None reported.

City of Reno, Nevada
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section III – Federal Award Findings and Questioned Costs

FINDING 2025-001 – Reporting –Significant Deficiency in Internal Controls over Compliance

Federal Assistance Listing Number	*Federal Agency/Pass-through Entity - Program Name*	*Questioned Costs*
14.218	Community Development Block Grant Cluster Entitlement/Special Purpose Grants	None Reported

Criteria or specific requirement: As a condition of the award, the City is required to submit a PR29 – CDBG Cash on Hand Quarterly report quarterly.

Condition: During our testing, we were provided with documentation that indicated the City did not file a PR29 by the due date specified in the award document.

Context: Of the four reports available for testing, we randomly selected two PR29s filed during fiscal year 2025 noting one was not filed by the due date.

Effect: A report was not filed by the due date specified in the award document.

Cause: The City does not have an effective control in place to monitor reporting timelines.

Repeat finding: No.

Recommendation: We recommend the City work to establish an internal tracking system to memorialize reporting deadlines and track the submission of required reports under the program.

Views of responsible officials: Management agrees with the finding and auditor recommendation.

City of Reno
Corrective Action Plan
For the Fiscal Year Ended June 30, 2025

FINDING 2025-001

Federal program: Community Development Block Grants/Entitlement Special Purpose Grants Cluster (CFDA #14.218)

Condition/context:

During testing, auditors were provided with documentation that indicated the City did not file a PR29 – CDBG Cash on Hand Quarterly report by the specified due date. Of the four (4) reports available for testing, two (2) were randomly selected and it was noted that one (1) was not filed by the due date.

Corrective action:

The City will establish and maintain an internal tracking system to memorialize reporting deadlines and monitor the timely submission of all required reports under the CDBG program, including the PR29 quarterly report. The tracking system will include key due dates, responsible staff and confirmation of submission to ensure accountability and consistency. Procedures will also be established and implemented to ensure continuity of reporting in the event of staff turnover.

Implementation date:

Implemented and in effect immediately

Contact person:

Elaine Wiseman, (775) 334-2578, wisemane@reno.gov

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.