



**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2024
ANNUAL BUDGET**



***Committed to Protecting Truckee's
Public Health and Environment Since 1906***

Adopted June 15, 2023

**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2023-2024
ANNUAL BUDGET**

Adopted June 15, 2023

**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2023-2024
ANNUAL BUDGET**

Board of Directors:

Denny Anderson, President

Marcus Waters, DC, Vice President

Jerry Gilmore

Nelson Van Gundy

Brian K. Smart

District Budget Workgroup:

Blake R. Tresan, PE, General Manager

Raymond P. Brown, PE, Assistant General Manager/District Engineer

Mark J. Wasley, Finance & Administrative Services Manager

Eric S. Sundale, Operations and Maintenance Superintendent

Elizabeth Jordan, Human Resources & Risk Manager

Angie A. Rea, Accountant

District Administrative Office:

12304 Joerger Drive

Truckee, California 96161

Telephone: (530) 587-3804

www.truckeesan.org

TABLE OF CONTENTS

RESOLUTION ADOPTING THE FY24 ANNUAL BUDGET

BUDGET MEMORANDUM FROM GENERAL MANAGER

TABLES

1. Annual Budget – All Funds – FY24
2. Operating Budget – Fund 1 - FY24 - Comparison to FY23 Budget and Projected Actuals
3. Staffing Plan – FY24
4. Outside Services Budget Detail – FY24
5. Computer Hardware, Software, IT Support Budget Detail – FY24
6. Travel & Training Budget Detail – FY24
7. Capital Improvement – Fund 4 – 5-Year Budget Plan – FY24 thru FY28
8. Capital Improvement – Fund 5 – 5-Year Budget Plan – FY24 thru FY28
9. Description of Capital Projects – FY24
10. Fleet and Equipment Replacement Schedule – FY24 thru FY28
11. Fund Balance by Fund – FY24

APPENDICES

- A. Operating Budget Detail – Budgeted Expenditures By Category, Code and Department
- B. 20-Year Reserve Fund Forecast Table, Assumptions and Chart
- C. SAD 5 (Fund 10) & Martis Valley Interceptor Cost Allocation Memorandum

**TRUCKEE SANITARY DISTRICT
BOARD OF DIRECTORS
RESOLUTION NO. 2023-105**

**A RESOLUTION ADOPTING THE OPERATING AND CAPITAL
BUDGET FOR FISCAL YEAR 2023-2024
FOR THE TRUCKEE SANITARY DISTRICT**

WHEREAS, the staff of the Truckee Sanitary District have developed a budget for fiscal year 2023-24 (from July 1, 2023 through June 30, 2024); and

WHEREAS, the budget includes projections of operating and capital revenues and expenditures as well as changes in cash reserves in all District funds for fiscal year 2023-24; and

WHEREAS, the Board of Directors has been provided copies of the District's budget; and

WHEREAS, the Board of Directors has reviewed the District's budget; and

WHEREAS, the Board of Directors has determined that the proposed budget is consistent with the effective delivery of services by the District to all District constituents; and

WHEREAS, the Board of Directors has determined that the budget shows that with necessary Board action, there will be sufficient District revenues and financial reserves to meet the District's financial obligations over the next fiscal year.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Truckee Sanitary District does hereby adopt the budget for fiscal year 2023-24.

PASSED AND ADOPTED by the Board of Directors of the Truckee Sanitary District at a regular meeting of the Board, held on the 15th day of June, 2023, by the following roll call vote:

AYES: Anderson, Gilmore, Van Gundy, Waters

NOES: None

ABSENT: Smart

ABSTAIN: None

ATTEST:

Blake R. Tresan,
Board Secretary


Denny Anderson,
President of the Board of Directors

MEMORANDUM

Date: June 15, 2023
To: Board of Directors
From: Blake R. Tresan, General Manager
Subject: FISCAL YEAR 2024 ANNUAL BUDGET



The purpose of this memorandum is to present the annual budget for the Truckee Sanitary District (“District”) for fiscal year 2024 (FY24). The budget lays out a financial map for the District for the period July 1, 2023 through June 30, 2024. The budget is separated into two categories: operations and capital, and tracks changes in the five District reserve funds. This year’s budget was developed with the goal of achieving the District’s mission of protecting the public health and environment while providing its customers with the highest level of service consistent with the prudent management of public funds.

The budget is summarized in Table 1 and supporting documentation is provided in subsequent tables and appendices.

This budget was prepared as a group effort and the work of Mark Wasley, Raymond Brown, Eric Sundale, Elizabeth Jordan and Angie Rea should be acknowledged and commended. Of course, every employee of the District deserves recognition for their hard work and continued success in achieving the District’s mission.

Organization and Business

Truckee Sanitary District is the public agency responsible for the collection and conveyance of wastewater in the greater Truckee area. The District was formed in 1906, making it one of the oldest special districts in California. Initial wastewater collection and treatment facilities serving portions of Truckee were constructed in 1908, with expansion in the ensuing years to keep up with growth in the Truckee area. The District is one of five sewer collection agencies in the Truckee–North Tahoe area that convey wastewater to the Tahoe-Truckee Sanitation Agency (T-TSA) for treatment and reclamation. TSD appoints a representative to the T-TSA Board.

The District’s boundaries encompass an area of approximately 39 square miles. The District serves about 12,189 residential units and approximately 579 commercial accounts as of June 30, 2022. Service is provided through approximately 215 miles of gravity mains, 16 miles of force mains, 187 miles of laterals and 44 lift stations.

The District is overseen by a 5-member, publically elected, Board of Directors that sets policies for the District including adopting the annual budget for revenues and expenses, setting rates and charges, and directing the investment of District funds. The General Manager serves as District Treasurer.

FY23 Highlights

Before presenting the FY24 budget, it is worthwhile to highlight a few FY23 items where the projected actual results differ from the approved budget and to highlight new investment accounts:

- Operating Revenue is projected to be \$0.73 million greater than FY23 budget, primarily due to higher than budgeted property tax revenue from both Nevada and Placer Counties and higher than budgeted interest income.
- Operating Expenditures are projected to be \$1.22 million more than FY23 budget after accounting for an additional discretionary payment (ADP) of \$2.40 million to the CalPERS Public Employees' Retirement Fund (PERF), of which \$1.0 million was a transfer from the California Employers' Pension Prefunding Trust (CEPPT), and an additional contribution of \$0.30 million into the California Employers Retiree Benefits Trust (CERBT) account. Both contribution payments were approved by the District Board in April 2023. Excluding the unbudgeted discretionary contribution payments to the PERF and the CERBT, operating expenditures are projected to be \$0.48 million less than budgeted for FY23. The reduction in expenditures, prior to the discretionary contribution payments are, in part, due to savings in salaries and wages due to the timing of filling retirees' positions, intentional reduction of one full-time position, and lower than anticipated expenditures for activities restricted by the Covid-19 pandemic (e.g, travel, training, IT/office expenses, outside services), operating supplies and miscellaneous benefits.
- The Board approved a General Fund transfer of \$1.40 million into the District's Major Capital Improvement Fund on April 20, 2023, further strengthening this Board-designated fund to pay for future capital expenditures of the District.
- The Board reviewed the District's Investment Policy on August 18, 2022, updating the policy to include parameters in limiting investments in U.S. Treasury Securities to \$10,000,000, while keeping with the same investment objectives and investment accounts where District can invested funds. Subsequently, on August 23, 2022, the District invested \$9,000,000 in U.S. Treasury Securities using a 6 month/3-year ladder approach. On January 31, 2023, the District re-invested the first maturities of U.S. Treasury Securities. Further, the Board approved establishing a banking relationship with CalClass, a JPA investment pool of the California Special Districts Association (CSDA) for the investment of District's most liquid cash reserves on January 19, 2023. A CalClass account was established on February 16, 2023 by transferring \$8,600,000 from LAIF to CalClass. The Board reviewed the District's Investment Policy again on April 20, 2023 and made no changes.
- The Board reviewed the District's Reserve Fund Policy on April 20, 2023, keeping the same minimum target reserves for each of the District's funds and a 90% funded status target for the District's Pension and Retiree Health liabilities.

FY24 Budget Highlights

FY24 Fund 1 – Operating Budget

- Net operating revenues (operating revenues less operating expenditures) for FY24 are estimated to be \$2.53 million and \$2.72 million is projected to be transferred to Fund 5 to fund future capital expenditures.
- Operating revenues for FY24 are budgeted at \$13.10 million (3.97% increase over FY23 projected actuals, a 10.32% increase over FY23 budget).
 - User fee revenue is budgeted at \$4.47 million in FY24 (1.00% increase over FY23 projected actuals). User fees represent 34.1% of total operating revenues.
 - Property tax revenue is budgeted at \$8.06 million for FY24 (3.70% increase over FY23 projected actuals). Property taxes represent 61.5% of total operating revenues.
- Operating expenditure for FY24 are budgeted at \$10.64 million (a 7.65% decrease from FY23 projected actuals, 3.30% increase over FY23 budget), including:
 - \$5.17 million in salaries and wages;
 - \$2.99 million in benefits and payroll burden;
 - \$0.37 million in other post-employment benefits (OPEB);
 - \$2.11 million in other operating costs.

FY24 Funds 4 & 5 – Capital Budget

- Capital expenditures in FY24 are estimated to be \$3.12 million, including:
 - \$0.25 million in capacity facilities expansion;
 - \$1.02 million in collections system improvements;
 - \$0.85 million in vehicle purchases;
 - \$1.00 million in other capital projects.

FY24 – Total Budget

- Total District reserves in FY24 are estimated to decrease by approximately \$0.25 million beginning the year at \$18.39 million and ending the year at \$18.14 million.

FY24 Budget Details

A detailed description of the annual budget for FY24 is provided below.

Operating Budget – Fund 1

The majority of the District's day-to-day financial activity is tracked through its operating budget. Funds associated with the operating budget are maintained in the General Fund or Fund 1. In FY24, staff anticipates an increase in Fund 1 operating revenues of approximately \$0.50 million and an increase of \$0.88 million in expenditures over the current year projected actuals (Table 2).

Operating Revenues

Overall, operating revenues are budgeted at \$13.10 million (3.97% increase from FY23 projected actuals, 10.32% increase from FY23 budget) – an increase of \$0.50 million over FY23 projected actuals. This increase in revenue is primarily attributable to increased property tax revenues resulting from continued residential and commercial development and rising real estate values and an estimated 1.0% increase in user fees due to an increase in the District's customer base. Also of note is an increase of \$0.24 million in interest revenues over the FY23 budget due to the District's investing in U.S. Treasury Securities and establishing a CalClass investment pool account, both investments which have exceeded interest earnings with the Local Agency Investment Fund (LAIF) with whom the District previously had kept its cash reserves.

Staff is budgeting a 3.7% increase in property tax revenues over FY23 projected actuals. While fluctuating on a year-to-year basis, property tax revenues over the past 25 years have shown an average annual increase of 6.7% per year. Based on historic trends, additional development in the Truckee Community, housing inventory turn-over and rising real estate prices, staff supports using the 3.7% increase as a realistic and conservative assumption for the FY24 budget.

Operating Expenditures

Operating expenses for FY24 are budgeted at \$10.64 million (7.65% decrease from FY23 projected actuals, 3.30% increase from FY23 budget). The increase (FY24 budget vs FY23 budget), is mostly attributable to a 5.5% cost of living (COLA) wage increase approved by the Board on May 18, 2023, and related increased payroll related burden costs.

Staffing: According to the staffing plan, a total of 40.67 full-time-equivalents (FTEs) will be employed by the District during the coming year (Table 3). This is a slight increase of 0.42 FTE from FY23 projected actuals. The staffing increase consists of overlap of retiring staff training new staff. The 5.5% cost of living adjustment (COLA) approved by the Board has been incorporated into the preliminary annual budget.

Employee Benefits: The District provides employees with a number of benefits including health insurance, pension contributions, social security, workers compensation insurance, Medicare tax, dental insurance and vision expense reimbursement. Overall, these benefits are estimated to cost the District \$3.0 million in FY24 (32.8% decrease from FY 23 projected actuals, 3.7% decrease from FY23 budget). The decrease between FY24 budget and FY23 projected actuals is due primarily to a one-time Board approved FY23 additional discretionary contributions of \$2.40 million to the CalPERS Public Employees' Retirement Fund (PERF) and \$0.30 million into the California Employees' Retirement Benefits Trust (CERBT) account.

Pension Contributions: For FY24, the District anticipates making \$1.26 million in pension contributions to CalPERS. These contributions include \$570,000 in employer normal costs, \$190,000 in Classic employee normal costs paid for by the District, and a \$500,000 discretionary contribution to the District's CEPPT account to prefund future payments towards the UAL. Pension Prefunding Payments (CEPPT or Additional discretionary payments (ADP) towards the District's UAL) save the District future interest payments that would otherwise be included on the outstanding UAL balance at the CalPERS discount rate (currently 6.8%). In fact, the CalPERS Actuarial Valuation report dated June 30, 2021, reflects a \$0.00 UAL required contribution for FY24, since at June 30, 2021, the District was 99.3% funded, owing in part to the District's focused goal of a 90% pension funding status and subsequent board-approved ADPs. Excluding CEPPT, ADP, and required UAL contributions, the District's normal costs to CalPERS in FY24 are anticipated to decrease by \$67,000 over FY23 projected actuals. As the District's staffing continues to shift from Classic to PEPRA (17 to 24 respectively for FY24), pension normal costs and Classic employee normal costs will continue to decrease, with potential offsetting increases due to salary increases, CalPERS discount rate changes and other actuarial assumption changes.

Health Insurance: The District provides health insurance for its employees through a contract with CalPERS. CalPERS sets premiums for each calendar year in the prior June. For calendar 2024, medical health insurance premiums are anticipated to increase by 10% (January – June). The overall health insurance costs for the District are estimated to be \$0.98 million in FY24, an increase of \$0.13 over FY23 projected actuals.

Payroll Burden: The District contributes to Social Security, Medicare, and subscribes to workers compensation insurance on behalf of the employees. Combined, these payroll burden items are anticipated to cost the District \$459,000 in FY24, an increase of \$42,000 over FY23 projected actuals, mostly attributable to an increase in salaries and wages.

Dental & Vision Coverage: The District provides dental insurance for its employees. The cost of the premiums for dental insurance is anticipated to increase by \$8,200 in FY24 over FY23 projected actuals due to an anticipated 10% increase in coverage. Vision coverage is provided through a District sponsored reimbursement program. For FY24, vision costs are anticipated to increase by \$9,000 from FY23 projected actuals, from \$20,000 in FY23 to \$29,000 in FY24.

Retiree Benefits: District retirees are eligible for health insurance benefits (OPEB) through CalPERS in accordance with a vesting program. Upon retirement, employees with 10 years of CalPERS service credit, receive 50% of their health insurance costs covered by the District. For each additional year of service with the District, employees receive a 5% increase up to 100% of their health insurance costs after 20 years of service. To be eligible, retirees must utilize the District's insurance provider. The District has two cost components associated with providing retiree health insurance: 1) the cost of premiums for retirees, and 2) contributions or disbursements to/from the District's retiree health trust fund (CERBT). For FY24, the District anticipates expenditures for health insurance premiums for retirees to be \$350,000, an \$87,000 increase over FY23 projected actuals, primarily driven by additional retirees and anticipated increases in health insurance premium rates. As of the June 30, 2022 OPEB valuation report, the value of the District's health trust fund is \$6,065,000, \$1,030,000 lower than the estimated OPEB liability of \$7,095,000, a funding status of 85.5%. In future years, and as the District continues to make additional CERBT contributions, the District anticipates being able to take disbursements from the CERBT to help offset the actual cost of retiree premiums. Every two years, the District contracts with an actuary to determine the valuation and funded status of the District's OPEB liability.

Outside Services: Staff anticipates a \$53,000 increase in Outside Service costs in FY24 over the FY23 projected actuals. Services to be provided in this category can be seen in Table 4 and include IT consulting services, the annual financial audit, recruitment services, and other general engineering services.

IT Hardware/Software: Information technology costs for both hardware and software are anticipated to increase in FY24 by approximately \$37,000 over FY23 projected actuals. The majority of the IT costs are for routine annual software licensing and maintenance with some monies targeted for the purchase of additional work stations/laptops and mobile devices (Table 5).

Staff Training/Travel/Prof Devt: Staff training/travel costs (Table 6) are projected to be approximately \$80,000 higher than the FY23 projected actuals. This increase is primarily due to the lifting of Covid-19 restrictions for FY24 travel/training. Local and off-site trainings, conferences, and workshops are budgeted for operations, engineering, and administrative staff in FY24 along with professional development opportunities.

Net Operating Revenues

Overall, operating revenues are budgeted to exceed expenditures by \$2.53 million for FY24. A total of \$2.72 million is budgeted to be transferred to Fund 5 to help fund future capital expenditures and Fund 1 is anticipated to retain sufficient funds to ensure a 60% funding reserve is available at the beginning of the following fiscal year as defined in the District's Reserve Fund Policy.

A detailed operating budget broken down by general ledger account number and department can be seen in Appendix A.

Capital Budget – Funds 4 & 5

Capital expenditures are defined as items with costs that exceed \$15,000. Capital expenditures may be capitalized and depreciated if owned by the District and have a useful life estimated to exceed five years.

Capital Budget Revenues

The District receives revenues to fund capital expenditures from a combination of sources, including connection fees, interest earnings, and transfers from Fund 1 net operating revenues. In FY24, connection fees are anticipated to generate \$0.18 million in revenue. Interest earnings are anticipated to generate approximately \$0.23 million. A portion of the District's cash reserves are kept in CalClass, a JPA investment pool of the California Special Districts Association (CSDA) hovering near a 5.0% interest rate since February, 2023, when the District transferred \$8.6 million from the lower-interest yielding LAIF fund. Additionally, in August, 2022, the District purchased \$9.0 million of U.S. Treasury Securities with a weighted average yield of 3.43%. Both the CalClass and U.S. Treasury Securities interest earnings are allocated to unrestricted and restricted funds. A total of \$2.72 million is anticipated to be transferred to Fund 5 from Fund 1 to help fund future capital expenditures.

Capital Budget Expenditures

Staff has developed a detailed 5-year capital improvement plan that includes approximately \$3.12 million in capital expenditures for FY24 and \$10.55 million over the next five years (Tables 7 and 8). Significant capital expenditures projected for FY24 include \$845,000 in vehicle purchases, \$250,000 for a lift station upgrade, \$200,000 for a roof replacement, and \$350,000 for a pipeline rehabilitation project. A brief description of each capital project can be seen in Table 9. A detailed schedule of proposed vehicle and equipment purchases can be seen in Table 10.

Fund Balances

The District projects it will start FY24 with approximately \$18.39 million in cash reserves. These District reserves are held in five funds as described below. Table 11 shows the changes in fund reserves anticipated during the upcoming year. Overall, it is projected that the District will end the year with \$18.14 million in cash reserves, a decrease of approximately \$0.25 million during FY24. The District has a reserve fund policy that sets minimum target amounts for each fund. A copy of the Reserve Fund policy is available on the District's website and was most recently reviewed and readopted in April 2023. The FY24 budget indicates that all funds will meet or exceed target balances throughout FY24.

Fund 1 – General Fund (unrestricted)

Monies in Fund 1 or the General Fund are used for the day-to-day operations of the District. Revenue sources for Fund 1 consist primarily of user fees and property taxes. Expenditures include employee salaries and wages, benefits, and operating expenses. The District receives user fees and property taxes from Nevada and Placer County according to the Teeter payment schedule, with distributions only in January (55%), May (40%), & July (5%). According to the Reserve Fund Policy, the District targets starting each fiscal year with sufficient monies in Fund 1 to fund for 60% (approximately seven months (July – January)) of budgeted operating expenditures.

Fund 4 – Capital Reserve Fund (restricted)

The Capital Reserve Fund is a restricted fund for use only on projects that increase the capacity of the sewer system. Revenue sources for this fund come from connection fees and interest earnings. Expenditures include capital sewer projects that increase capacity. The District's Reserve Fund Policy sets a target minimum balance for Fund 4 at 60% of the cumulative expected expenditures over the subsequent 5 years while also calling for the connection fee to be reviewed annually for inflation and a full connection fee study to be completed every 10 years. The Board approved Resolution 2022-119 on September 22, 2022, which established updating connection fees in response to changes in inflation and construction costs, resulting in an increase in the connection fee from \$1,440/edu to \$1,650/edu, effective January 1, 2023.

Fund 5 – Major Capital Improvements Reserve Fund (Board designated/unrestricted)

Fund 5 or the Major Capital Improvements Reserve Fund is a board designated fund for use on capital improvements (items with a cost of greater than \$15,000). This fund has no revenue source other than interest earnings and the transfer of net revenues from the General Fund. The District's Reserve Policy sets a target minimum balance for Fund 5 at 60% of the cumulative expected expenditures over the subsequent 5 years.

Fund 6 – Emergency Contingency Reserve Fund (Board designated/unrestricted)

The Emergency Contingency Reserve Fund is a board designated fund for use in the event of emergencies. Monies cannot be withdrawn from this fund without Board approval.

Fund 10 – SAD 5 Trust Fund (restricted)

The SAD 5 Trust Fund is a restricted fund for use on sewer-related activities in the SAD 5 (Armstrong Tract) area only. This fund was originally created with excess monies from the creation of Sewer Assessment District 5. This fund has no revenue source other than interest earnings. The District performs approximately \$60,000 of maintenance work on the SAD 5 assets each year. These monies are originally drawn from the General Fund and later allocated to and reimbursed from Fund 10. The method for determining this allocation can be seen in Appendix C. There is no minimum target balance for this fund, and Fund 10 will be utilized until fully depleted.

20-Year Forecast

Staff has included in this year's budget a model that forecasts revenues, expenditures and fund balances over a 20-year period (Appendix B). The 20-year forecast is a modeling tool used by the District as a guide to better anticipate medium and long-term trends for revenues, expenditures, and cash reserves, and to help ensure the District's financial health over time. Assumptions used for this 20 Year Forecast are included in Appendix B as is a chart depicting target and projected reserves. Trends to highlight include:

- Fund 1 – General Fund (unrestricted)
 - 1.00% annual user fee increase based on anticipated growth of customers
 - 4.50% annual user fee increase FY34 – FY38;
 - 3.00% annual property tax increase;
 - Gradual, steady anticipated decreases in Classic pension retirement expenses with gradual, smaller anticipated increases in PEPRA pension retirement expenses.
- Reserve Fund 4 – Capital Reserve Fund (restricted)
 - Anticipated capacity related capital improvement expenditures funded solely from connection fees and interest income on Fund 4 reserve balance.
- Reserve Fund 5 – Major Capital Improvement Reserve Fund (Board designated/unrestricted)
 - Anticipated steady increases in capital improvement expenditures funded from net operating revenues and interest income on Fund 5 reserve balance.
- Fund 6 – Emergency Contingency Reserve Fund (Board designated/unrestricted)
 - Maintain balance of \$3,000,000.
- Fund 10 – SAD 5 Trust Fund (restricted)
 - Allocation of Operations & Maintenance expenses; anticipated depletion of Reserve Fund 10 – SAD 5 Trust in FY25.

As with any long-term, dynamic forecasting model, as new information that may affect financial trends materialize, staff will incorporate those changes into the model. The 20-year forecast model, with current assumptions incorporated, indicate the District's continued strong financial position moving forward.

Conclusion

The FY24 Budget provides a financial plan for the District to continue delivering its customers the highest level of service consistent with the prudent management of public funds. Total operating and capital expenditures are anticipated to exceed total revenues in the upcoming year by \$0.25 million, mostly driven by capital expenditures of \$3.12 million; this outcome results in a 1.36% decrease in cash reserves from \$18.39 to \$18.14 million. Overall, the District's financial position remains stable, with no debt (other than pension, OPEB and compensated absences liabilities), and

cash reserves that meet or exceed the targets set forth in the District's Reserve Fund Policy. The District will continue to strive towards a 90% funded status with its pension and retiree health benefit funding strategies. As always, staff will do its best to keep the Board updated on the budget as the year progresses and welcomes the Board's input on all budget related items.

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY24

FUND	AMOUNT
UNRESTRICTED FUNDS	
Fund 1 - General Fund	
REVENUE	
User Fees	4,470,000
Fees for Services	50,000
Tax Revenue - Ad Valorem	8,060,000
Interest Earned	300,000
Rents & Leases	5,000
Other Income	215,000
TOTAL REVENUE	13,100,000
EXPENDITURES	
Salaries & Wages	5,172,800
Pension Benefits	1,255,100
Health & Other Benefits	1,275,300
Payroll Burden	458,700
Retiree Health/OPEB	370,000
Liability Insurance	245,000
Repairs & Maintenance	408,000
Utilities & Phone Services	228,500
Ad Valorem & Sewer Svc Billing Fees to Counties	155,000
Operating Supplies	120,000
Fuel Expense - Unleaded & Diesel	93,000
Outside Services	218,300
Legal Fees	65,000
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	213,800
Info Tech & Office Expenses	220,000
Dues, Subscriptions & Memberships	49,400
Uniforms, Linen & Safety Boots	27,300
Environmental Permits & Fees	38,000
LAFCO Expenses	10,000
Printing & Publications	15,000
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	1,800
EXPENDITURE SUBTOTAL	10,640,000
<i>Cost Allocations to Funds 4, 5 & 10</i>	65,000
TOTAL EXPENDITURES	10,575,000
GENERAL FUND NET INCOME (LOSS)	2,525,000
<i>Transfer to Fund 5</i>	(2,715,000)
GENERAL FUND NET INCREASE (DECREASE)	(190,000)

continued

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY24

FUND	AMOUNT
BOARD DESIGNATED FUNDS	
Fund 5 - Major Improvement Reserve Fund	
REVENUE	
Interest	150,000
EXPENDITURES	(2,865,000)
Transfers from Fund 1	2,715,000
FUND 5 NET INCOME (LOSS)	-
Fund 6 - Emergency Contingency Reserve Fund	
REVENUE	-
EXPENDITURES	-
Transfers	-
FUND 6 NET INCOME (LOSS)	-
RESTRICTED FUNDS	
Fund 4 - Capital Reserve Fund	
REVENUE	
Connection Fees	175,000
Interest	75,000
TOTAL REVENUE	250,000
EXPENDITURES	(250,000)
Transfers	-
FUND 4 NET INCOME (LOSS)	-
Fund 10 - SAD 5 Trust Fund	
REVENUE	
Interest	5,000
EXPENDITURES	(65,000)
Transfers	-
FUND 10 NET INCOME (LOSS)	(60,000)
TOTAL REVENUE - ALL FUNDS	13,505,000
TOTAL EXPENDITURE - ALL FUNDS	(13,755,000)
NET INCOME (LOSS) - ALL FUNDS	(250,000)

APPROVED BY BOARD OF DIRECTORS AT THEIR REGULAR MEETING JUNE 15, 2023

Blake R. Tresan, Secretary to the Board

Table 2
TRUCKEE SANITARY DISTRICT
FUND 1 - OPERATING BUDGET - FY24
COMPARISON to FY23 Budget and Projected Actuals

Fund 1 - General Fund	Budget FY23	Projected FY23	Budget FY24	FY24 Budget to FY23 Budget		FY24 Budget to FY23 Projected	
				Fav/(Unfav) \$	Fav/(Unfav) %	Fav/(Unfav) \$	Fav/(Unfav) %
REVENUE							
User Fees	4,380,000	4,425,000	4,470,000	90,000	2.1%	45,000	1.0%
Fees for Services	75,000	50,000	50,000	(25,000)	-33.3%	-	0.0%
Tax Revenue - Ad Valorem	7,260,000	7,770,000	8,060,000	800,000	11.0%	290,000	3.7%
Interest Earned	62,000	277,000	300,000	238,000	383.9%	23,000	8.3%
Rents & Leases	3,000	3,000	5,000	2,000	66.7%	2,000	66.7%
Other Income	95,000	75,000	215,000	120,000	126.3%	140,000	186.7%
TOTAL REVENUE	11,875,000	12,600,000	13,100,000	1,225,000	10.32%	500,000	3.97%
EXPENDITURES							
Salaries & Wages	4,901,300	4,693,400	5,172,800	(271,500)	-5.5%	(479,400)	-10.21%
Pension Benefits	1,570,400	2,957,400	1,255,100	315,300	20.1%	1,702,300	57.6%
Health & Other Benefits	1,107,400	1,071,100	1,275,300	(167,900)	-15.2%	(204,200)	-19.1%
Payroll Burden	421,200	417,200	458,700	(37,500)	-8.9%	(41,500)	-9.9%
Retiree Health/OPEB	365,000	562,700	370,000	(5,000)	-1.4%	192,700	34.2%
Liability Insurance	210,000	201,000	245,000	(35,000)	-16.7%	(44,000)	-21.9%
Repairs & Maintenance	391,700	389,900	408,000	(16,300)	-4.2%	(18,100)	-4.6%
Utilities & Phone Services	188,300	210,700	228,500	(40,200)	-21.3%	(17,800)	-8.4%
Ad Valorem & Sewer Svc Billing Fees to Counties	155,000	149,100	155,000	-	0.0%	(5,900)	-4.0%
Operating Supplies	122,300	91,700	120,000	2,300	1.9%	(28,300)	-30.9%
Fuel Expense - Unleaded & Diesel	93,000	92,800	93,000	-	0.0%	(200)	-0.2%
Outside Services	222,000	165,000	218,300	3,700	1.7%	(53,300)	-32.3%
Legal Fees	40,000	65,000	65,000	(25,000)	-62.5%	-	0.0%
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	150,400	134,400	213,800	(63,400)	-42.2%	(79,400)	-59.1%
Info Tech & Office Expenses	216,000	183,000	220,000	(4,000)	-1.9%	(37,000)	-20.2%
Dues, Subscriptions & Memberships	36,900	42,400	49,400	(12,500)	-33.9%	(7,000)	-16.5%
Uniforms, Linen & Safety Boots	29,700	24,100	27,300	2,400	8.1%	(3,200)	-13.3%
Environmental Permits & Fees	35,000	35,300	38,000	(3,000)	-8.6%	(2,700)	-7.6%
LAFCO Expenses	10,000	8,600	10,000	-	0.0%	(1,400)	-16.3%
Printing & Publications	30,000	25,000	15,000	15,000	50.0%	10,000	40.0%
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	4,400	2,200	1,800	2,600	59.1%	400	18.2%
EXPENDITURE SUBTOTAL	10,300,000	11,522,000	10,640,000	(340,000)	-3.30%	882,000	7.65%
<i>Fund Allocations to: Funds 4, 5, 6 & 10</i>							
<i>Fund 5 - Major Improvement Reserve Fund</i>	-	-	-				
<i>Fund 6 -Contingency Reserve Fund</i>	-	-	-				
<i>Fund 10 share 1.79% of Dept 1000</i>	(65,000)	(72,000)	(65,000)				
<i>Total Cost Allocations</i>	(65,000)	(72,000)	(65,000)				
TOTAL EXPENDITURES	10,235,000	11,450,000	10,575,000				
GENERAL FUND NET INCOME (LOSS)	1,640,000	1,150,000	2,525,000				
<i>Total Income (Loss) Transfer to Fund 5</i>	(2,000,000)	(1,400,000)	(2,715,000)				
GENERAL FUND NET INCREASE (DECREASE)	(360,000)	(250,000)	(190,000)				

Table 3
Truckee Sanitary District
Staffing Plan FY24

	Actual				Projected	Budget
	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
DEPARTMENT						
1000 - Operations & Maintenance	18.00	17.00	18.00	17.25	16.92	16.17
1300 - Building & Grounds	1.00	1.00	1.00	1.00	1.00	1.00
2000 - Mechanical & Electrical	3.00	3.00	3.00	3.00	3.00	3.17
4000 - Engineering/Inspections	7.08	7.00	7.00	7.00	6.83	7.17
5000 - Fleet & Equipment	1.00	1.00	1.00	1.00	1.00	1.17
6000 - Administration	11.00	11.50	10.00	10.21	11.50	12.00
TOTAL FTE	41.08	40.50	40.00	39.46	40.25	40.67

Projected FY23

Ops includes 1 CSML that add effective 5/15/22
Ops includes 1 Seasonal Intern that add effective 5/15/22
Admin includes 1 Admin Assist II add effective 4/18/22

Budget FY24

Ops includes 1 Seasonal Intern 7/1-10/31/22 and 5/1-6/30/23
Ops includes 1 retirement and promotion O&M Supervisor @ 11/30/22

Table 4
Truckee Sanitary District
Fund 1 - General Fund - FY24
Outside Services Budget Detail

Department	Description (GL 42050)	Amount
1000-Operations & Maintenance		
	Misc Testing/Compaction	1,000
	Safety Consulting	3,000
	CHH Auditometric Testing	1,000
	SSMP Audit/Simulated Inspection	10,000
	Air test and Seal	5,000
	Contingency	5,000
		25,000
1300-Buildings & Grounds		
	CA Security Alarm	3,000
	Fire Protection - Overhead Fire	3,000
	Fuel Pump Calibration	1,000
	Window Cleaning	3,000
	Contingency	10,000
		20,000
2000-Electrical & Mechanical		
	Sierra Controls/SCADA Telem. Assistance	10,000
	Gasboy	2,000
	Cashman Equipment	10,000
	HVAC Boiler Service	3,000
		25,000
4000-Engineering		
	Engineering (Design, Planning, CEQA, Code, etc.)	20,000
	Geotechnical Services	5,000
	IT Support	20,000
	WEST consulting (Dump Closure)	4,000
	DTSC fees for Dump Closure	4,000
		53,000
6000-Administration		
	Answering Service	2,000
	DATCO Testing	3,500
	Navia Benefits Admin Fees	4,500
	Navia Fees Wellness Admin Fees	2,100
	Navia Fees COBRA Admin Fees	1,200
	Records Retention/Gladwell	5,000
	Truckee River Watershed Council - Weed Warrior	4,000
	Actuarial Services/TCS	5,000
	Audit - James Marta & Co	35,000
	Recruitment Services	30,000
	Contingency	3,000
		95,300
Total Outside Services		218,300

Table 5
Truckee Sanitary District
Fund 1 - General Fund - FY24
Computer Hardware, Software & IT Support Budget Detail

Department	Description (GL 41020 & 41030)	Amount
Hardware upgrade/purchase - 01-4000-41030		
	5 Laptop Computers	13,000
	2 Computer Monitors	1,300
	3 Mobile Tablets/Accessories	2,400
	UPS replacements	300
	New Firewall	3,000
	Contingency	25,000
Total Hardware		45,000
Software Expense - 01-4000-41020		
	Annual Maintenance	
	ClearSCADA	7,000
	Citrix Server (SCADA)	1,200
	ESRI	9,000
	Granite	6,000
	Lucity / TriTech / Central Square	18,000
	InfoSewer	1,500
	ParcelQuest	5,500
	PC TopKat-Gasboy	700
	Ignition SCADA	10,000
	Springbrook	16,500
	Alpenlily Website hosting	1,500
	Civic Clerk	7,750
	MSDS Online	3,300
	Trakstar	5,000
	AVG Cloudcare	2,050
		95,000
	Software upgrade/purchase	
	Lucity Mobile (3 Seats)	4,500
	Microsoft Office 365 (40 seats)	7,500
	Darktrace Cybersecurity	29,000
	Adobe Pro Acrobat (25 Lic)	5,750
	1 year Autocad	2,500
	Contingency	15,750
		65,000
Total Software & IT Support		160,000
Total Hardware, Software & IT Support Expense		205,000

Table 6
Truckee Sanitary District
Fund 1 - General Fund - FY24
Travel & Training Budget Detail

Department	Description (GL 41090)	Amount
1000-Operations & Maintenance		
	CWEA Annual Conference	3,000
	CWEA Northern Regional Conf	2,000
	CWEA Safety Day	1,000
	CWEA Awards Banquet	500
	CWEA Cert Prep Classes	500
	NASSCO Training	-
	Competent Trench Training	200
	Tri-State Reg Training Conf	3,000
	AC Pipe Training	1,400
	Meetings & Travel	3,400
		15,000
1300-Building & Grounds		
	CWEA Safety Day	100
	CWEA Awards Banquet	100
		200
2000-Electrical & Mechanical		
	CWEA Annual Conference	3,000
	CWEA Safety Day	200
	Electrical Diagnosis Class	2,500
	Tri-State Conference	2,500
	Meetings & Travel	300
	Misc Telemetry Training	2,500
		11,000
4000-Engineering		
	WEFTEC Annual Conference	4,000
	CSDA Conference	2,500
	Lucity Annual Conference and Training	10,000
	IT Training for Admin Tech	2,500
	ESRI User Conference	6,000
		25,000
5000-Equipment & Fleet		
	Workshop safety class	200
	Meetings & Travel	600
		800

continued

Table 6
Truckee Sanitary District
Fund 1 - General Fund - FY24
Travel & Training Budget Detail

Department	Description (GL 41090)	Amount
6000-Administration		
	CASA Annual Conference	6,000
	CASA Winter Conference	6,000
	CalPERS Conference	2,000
	Leadership Training - Mgt/Supervisory	15,000
	NTT Leadership	1,000
	Various on-site training & webinars	3,000
	SHRM Conference	3,000
	Prof Devt/Exec Coaching	17,000
	Board Exec Training	2,000
	CSMFO/GFOA Conferences	4,000
	CSDA Conferences & Webinars	4,000
	Springbrook Conference	4,000
	CSDA Legislative Days (Board 1)	2,000
	CSDA Leadership Academy	2,000
	GFOA Webinar Training	2,000
	APA Payroll Webinars/Ref Materials	2,000
	APA Payroll Conference/Certification	-
	WEFTEC-Some place nice	3,000
	Meetings & Travel - Misc	5,000
		83,000
Total		135,000

Table 7
Truckee Sanitary District
Capital Budget - FY24 - 5 Year Plan
Fund 4 - Capital Facilities (Capacity)

CAPITAL PROJECT	Budget					Total
	FY24	FY25	FY26	FY27	FY28	
<u>Pipes</u>						
Pipeline Capacity Expansion - CT07-A08	-	-	50,000	-	-	50,000
Pipeline Capacity Expansion - CT07-A08a	-	-	120,000	-	-	120,000
Pipeline Capacity Expansion - TD24-A07	-	-	-	240,000	-	240,000
Pipeline Capacity Expansion - CT09-B28	-	-	-	-	90,000	90,000
Extending Laterals to Committed Donner Lake Lots	-	-	-	-	50,000	50,000
Total Pipes	-	-	170,000	240,000	140,000	550,000
<u>Lift Stations</u>						
Lift Station 1B Upgrade Capacity	-	-	275,000	-	-	275,000
Lahontan Lift Station Upgrade for Capacity - LAH3	250,000	-	-	-	-	250,000
Lahontan Lift Station Upgrade for Capacity - LAH4	-	185,000	-	-	-	185,000
Lahontan Lift Station Upgrade for Capacity - LAH5	-	185,000	-	-	-	185,000
Total Lift Stations	250,000	370,000	275,000	-	-	895,000
<u>Fleet</u>						
2,000 Gal Septic Hauling Truck - O&M/Construction	-	-	-	-	-	-
Total Fleet	-	-	-	-	-	-
<u>Facilities</u>						
Administration Building Expansion Design	-	-	-	-	100,000	100,000
Total Facilities	-	-	-	-	100,000	100,000
TOTAL CAPITAL EXPENDITURES	250,000	370,000	445,000	240,000	240,000	1,545,000

Table 8
Truckee Sanitary District
Capital Budget - FY24 - 5 Year Plan
Fund 5 - Major Capital Improvements

	Budget					
CAPITAL PROJECT	FY24	FY25	FY26	FY27	FY28	Total
<u>Collection System Infrastructure Projects</u>						
Pipeline Rehabilitation	350,000	-	350,000	-	350,000	1,050,000
Town Paving Project - Manhole Adjustments	295,000	100,000	100,000	100,000	100,000	695,000
Lift Station Electrical Upgrade	100,000	50,000	50,000	50,000	50,000	300,000
Additional Flushing Vault Glenshire Drive	100,000	-	-	-	-	100,000
Drywell Cathodic Protection Coating - All Drywells	50,000	50,000	50,000	50,000	50,000	250,000
TSD Manhole Rehabilitation Projects	75,000	-	75,000	-	75,000	225,000
Alder Creek Force Main Check Valve Upgrade	25,000	-	-	-	-	25,000
Drywell Cathodic Protection Upgrade	25,000	-	-	-	-	25,000
Install/Replace/Upgrade existing long laterals T.D.	-	100,000	-	100,000	-	200,000
Lift Station Replacement Master Plan	-	100,000	-	-	-	100,000
Easement Acquisitions	-	75,000	-	-	-	75,000
Donner Lake Sub Station Plumbing Replacement	-	40,000	-	-	40,000	80,000
Conversion of Telemetry phone lines to Radio	-	-	60,000	-	-	60,000
Alder Creek LS Emergency Overflow Tank Expansion	-	-	60,000	-	-	60,000
Donner Creek Bypass System	-	-	-	250,000	250,000	500,000
Replace Pumps and Motors Alder Creek	-	-	-	250,000	-	250,000
Foxmead/River Park LS Upgrade	-	-	-	-	250,000	250,000
Collection System Infrastructure Projects Subtotal	1,020,000	515,000	745,000	800,000	1,165,000	4,245,000
<u>Other Capital Projects</u>						
Engineering						
FOB Roof Replacement	200,000	-	-	-	-	200,000
Admin Office Improvement Project	100,000	-		-	-	100,000
Acoustic Panel Project Admin Building	85,000	-		-	-	85,000
Admin Building Parking Lot Slurry	75,000		-	-	-	75,000
Hand Held/Truck Radio Upgrade	55,000		-	-	-	55,000
Server Upgrade	50,000	-	-	-	50,000	100,000
Backup Recovery Server	25,000	-	-	-	-	25,000
Scada Hardware Upgrade Admin Building	50,000		-	-	-	50,000
SCADA Software Upgrade	40,000	-	-	-	-	40,000
Security Camera Upgrade	30,000	-	-	-	-	30,000
Corporation Yard Overhead Door Replacement	25,000	-	-	-	-	25,000
Paint Lift Station in Lah/MV	15,000	-	-	-	-	15,000
Upgrade Boiler Controls Admin Building	10,000		-	-	-	10,000
Telemetry Radio Upgrade	-	100,000	-	-	-	100,000
Bypass Hose Replacement (6 inch)	-	50,000	-	-	-	50,000
Boiler Replacements	-	-	100,000	-	100,000	200,000
Corporation Yard Defensible Space	-	-	30,000	-	-	30,000
Corporation Yard PRV on Underground Pipes	-	-	25,000	-	-	25,000
	760,000	150,000	155,000	-	150,000	1,215,000
Administration						
Finance and Accounting Software Replacement	150,000	-	-	-	-	150,000
Electronic Document and Management System	75,000	-	-	-	-	75,000
District Website Update	-	20,000	-	-	-	20,000
Future Equipment Replacement - Administration	15,000	15,000	15,000	15,000	15,000	75,000
	240,000	35,000	15,000	15,000	15,000	320,000
Vehicle and Equipment						
Vehicle & Equipment Replacement (see schedule)	845,000	860,000	845,000	245,000	425,000	3,220,000
Other Capital Projects Subtotal	1,845,000	1,045,000	1,015,000	260,000	590,000	4,755,000
TOTAL CAPITAL EXPENDITURES	2,865,000	1,560,000	1,760,000	1,060,000	1,755,000	9,000,000

Table 9
Truckee Sanitary District
Description Of Capital Projects

Capital Projects	Description
Fund 4 - Capital Facilities (Capacity)	
Pipeline Capacity Expansion	Hydraulic model has indicated pipeline may be undersized and in need of upsizing.
Extending Laterals to Committed Donner Lake Lots	To provide sewer laterals to the committed SAD 4 parcels, should they be requested.
Lahontan Lift Station Upgrade for Capacity	Hydraulic model has indicated station pumps may be undersized and in need of upsizing.
Lift Station 1B Upgrade Capacity	Hydraulic model has indicated station pumps may be undersized and in need of upsizing.
Administrative Building Expansion Design	Administration building expansion design to house additional staff serving anticipated increase in
Fund 5 - Major Capital Improvements	
<u>Collection System Infrastructure Projects</u>	
Pipeline Rehabilitation	Pipeline rehabilitation via cured-in-place liners.
Town Paving Project - Manhole Adjustments	Adjustment of manhole frame and covers. Typically done by Town paving contractor and reimbursed to Town. Includes \$60k for summer 2022 amd \$135k for summer 2021
Lift Station Electrical Upgrade	Last lift station upgrade was 1999. This project will upgrade the lift station PLC, starters, and controls to current supported models.
Additional Flushing Vault Glenshire Drive	Add additional underground storage vault to aid in Cleaning Old Greenwood outfall.
Drywell Cathodic Protection Coating	Corrosion prevention cathodic coating for lift station drywells, per the cathodic protection analysis in FY19.
TSD Manhole Rehabilitation Projects	Manhole rehabilitation via cementitious or other lining method.
Alder Creek Force Main Check Valve Upgrade	Existing check valve is unserviceable. Need to install infrastructure to service check valve.
Drywell Cathodic Protection Upgrade	Corrosion prevention cathodic upgrade for lift station drywells, per the cathodic protection analysis in
Install/Replace/Upgrade Existing Long Laterals T.D.	Replace aged or misaligned long laterals in Tahoe Donner acquired by District in 2017.
Lift Station Replacement Master Plan	Hire an outside consultant to review and develop a replacement plan for the District's lift stations.
Easement Acquisitions	Purchase of easements on private properties to ensure access to District facilities.
Donner Lake Sub Station Plumbing Replacement	Replace guide rails, check valves, and stand pipes on the sub stations at Donner Lake.
Conversion of Telemetry Phone Lines to Radio	Evaluate and implement hardware to provide a store and forward protocol or additional repeater to reduce the District's dependence on the leased phone circuit.
Alder Creek LS Emergency Overflow Tank Expansion	Review contingency planning and design method to contain a spill in the station failure.
Donner Creek Bypass System	Evaluate and design a mechanism to bypass the line (CT03-A09 to CT06-A31) in Donner Creek in the event of a break.
Replace Pumps and Motors Alder Creek	Evaluate and determine if Alder Creek pumps need replacement due to parts availability.
Foxmead/River Park LS Upgrade	Consolidation of three lift stations located within 300 feet of each other into a single station.
<u>Other Capital Projects</u>	
FOB Roof Replacement	FOB roof is past 20 year warranty. This is a placeholder for the evaluation and potential replacement of the roof.
Admin Office Improvement Project	Upgrade existing office space in the Admin Building to accommodate existing and potential growth.
Acoustic Panel Project Admin Building	Install sound dampening panels to reduce noise reverberation in the Admin building common hall.
Admin Building Parking Lot Slurry	Slurry seal the parking lot of the Admin Building to extend its useful life.
Hand Held/Truck Radio Upgrade	Upgrade and replacement of hand held & truck radios
Server Upgrade	District Data and File Storage Server(s).
Backup Recovery Server	Upgrade existing server.
SCADA Hardware Upgrade Admin Building	Replacement of the SCADA computer and PLC due to age of the equipment.
SCADA Software Upgrade	The routine upgrade of SCADA software. Replacement software TBD.
Security Camera Upgrade	Upgrade of security camera system.
Corporation Yard Overhead Door Replacement	Replace aging overhead doors.
Paint Lift Station in LAH/MV	Routine repainting of Lahontan 1-6 control panels and generators.
Upgrade Boiler Controls Admin Building	Due to obsolescence of the equipment a PLC upgrade is required.
Telemetry Radio Upgrade	Due to age of the equipment a bulk telemetry radio upgrade is anticipated.
Bypass Hose Replacement (6 Inch)	Replace the aged bypass hose that is used for emergency contingencies.
Boiler Replacements	Replace aged boilers.
Corporation Yard Defensible Space	Vegetation maintenance to mitigate potential wildfire spread.
Corporation Yard PRV on Underground Pipes	Pressure Release Value installation related to high incoming TDPUD pressure.
Finance and Accounting Software Replacement	Replace outdated finance and accounting software.
Electronic Document Management System	Purchase & implement system to electronically archive documents. Includes consultant, hardware, & implementation costs.
District Website Update	To refresh and upgrade District website periodically.
Future Equipment Replacement - Administration	Placeholder to update office equipment on an as needed basis.
Vehicle and Equipment Replacement & Disposals	See detailed schedule.

Table 10
Truckee Sanitary District
Capital Budget - FY24 - 5 Year Plan
Vehicle & Equipment Replacement Schedule - Fund 5

DESCRIPTION	Budget					Total
	FY24	FY25	FY26	FY27	FY28	
CCTV Mainline Truck O&M/TV	460,000	-	-	-	-	460,000
Tractor w/Snow blower - O&M/Construction	200,000	-	-	-	-	200,000
2 Ton 5-yd Dump Truck & Sander - O&M/Construction	125,000	-	-	-	-	125,000
Full Size SUV - District Engineer/Asst GM Vehicle	60,000					60,000
Hydro-Excavation Combo Cleaner Vacuum Truck	-	600,000	-	-	-	600,000
Loader w/ 12 ft Blade - O&M/Construction	-	200,000	-	-	-	200,000
Generator 150 kw - Lift Station	-	60,000	-	-	-	60,000
CCTV Mainline/Lateral Truck - O&M/TV	-	-	500,000	-	-	500,000
Backhoe/Loader	-	-	200,000	-	-	200,000
Bypass Trailer/Hose Reel System - Lift Stations	-	-	75,000			75,000
Generator - Caterpillar - 75kw - Lift Stations	-	-	40,000			40,000
Flatbed Equipment Trailer - O&M/Construction	-	-	30,000	-	-	30,000
Bypass Trailer/Hose Reel System (Martis Camp) - Lift Stations	-	-	-	60,000	-	60,000
Generator Onan 20DNAF/Glenshire Gen Shed/Sulfide - Lift Stations	-	-	-	60,000		60,000
Portable Bypass Pump 6" - Lift Station	-	-	-	50,000	-	50,000
Portable Bypass Pump 3" - Lift Station	-	-	-	50,000	-	50,000
Shoring Carrier Trailer - O&M/Construction	-	-	-	25,000	-	25,000
CAT Mini Excavator - O&M/Construction	-	-	-	-	75,000	75,000
Generator - Caterpillar - 60KW - Lift Stations	-	-	-	-	60,000	60,000
1/2 Ton Truck - Double Cab - Floater	-	-	-	-	60,000	60,000
1/2 Ton Pickup - Engineering/Inspections	-	-	-	-	40,000	40,000
1/2 Ton Pickup - Engineering/Inspections	-	-	-	-	40,000	40,000
1/2 Ton Pickup - Engineering/Inspections	-	-	-	-	40,000	40,000
1/2 Ton Pickup w/ Camper Shell - O&M	-	-	-	-	40,000	40,000
Crack Sealer Fill Trailer - O&M/Construction	-	-	-	-	40,000	40,000
Compressor 160 CFM - O&M/Construction	-	-	-	-	30,000	30,000
Total Vehicles & Equipment	845,000	860,000	845,000	245,000	425,000	3,220,000

Table 11
TRUCKEE SANITARY DISTRICT
Fund Balance by Fund

	Fund					Total
	Unrestricted	Board Designated		Restricted		
	1	5	6	4	10	
	General Fund	Major Capital	Emergency	Capital Reserve	SAD 5 Trust	
<u>FY24 Budget</u>						
Revenues	13,100,000	150,000	-	250,000	5,000	13,505,000
Expenditures	10,640,000	2,865,000	-	250,000	-	13,755,000
Cost Allocation	(65,000)	-	-	-	65,000	-
Net Expenditures	10,575,000	2,865,000	-	250,000	65,000	13,755,000
Net Revenues	2,525,000	(2,715,000)	-	-	(60,000)	(250,000)
Transfers	(2,715,000)	2,715,000	-	-	-	-
Net Increase / (Decrease)	(190,000)	-	-	-	(60,000)	(250,000)
<u>Fund Balance</u>						
Beginning Balance - Projected	6,865,000	6,073,000	3,000,000	2,310,000	142,000	18,390,000
Net Increase / (Decrease)	(190,000)	-	-	-	(60,000)	(250,000)
Ending Balance	6,675,000	6,073,000	3,000,000	2,310,000	82,000	18,140,000
<u>Target Reserves</u>						
Ending Balance	6,675,000	6,073,000	3,000,000	2,310,000	82,000	18,140,000
Target Reserve	6,510,000	4,462,000	3,000,000	1,705,000	-	15,677,000
Over / (Under)	165,000	1,611,000	-	605,000	82,000	2,463,000
Target Achieved	Yes	Yes	Yes	Yes	Yes	Yes

Target Reserve Notes

Fund	Minimum Target Reserve per Reserve Fund Policy
1 - General Fund	60% of projected Fund 1 expenses for FY25 to support cash flow through January 2025
5 - Major Capital	60% of projected Fund 5 expenditures for following 5 years (FY25-FY29)
6 - Emergency Contingency	Board determined at \$3,000,000
4 - Capital Reserves	60% of projected Fund 4 expenditures for following 5 years (FY25-FY29)
10 - SAD 5 Trust	No minimum target reserve

Appendix A TRUCKEE SANITARY DISTRICT FUND 1 - GENERAL FUND - FY 2024 Budgeted Expenditures by Category & Department								
		Department						
		1000	1300	2000	4000	5000	6000	
Account	Description	Operations & Maintenance	Buildings & Grounds	Elec & Mech Maintenance	Engineering & Inspections	Fleet & Equipment	Administration	Total
EXPENDITURES								
Salaries & Wages								5,172,800
40100	Salaries & Wages	1,788,900	64,700	436,000	1,013,200	129,800	1,557,500	4,990,100
40110	Accrued Benefits	52,100	1,900	11,700	30,100	3,800	46,300	145,900
40105	Directors' Fees	-	-	-	-	-	36,800	36,800
Pension Benefits								1,255,100
40300	Retirement Contrib-EE Classic	67,300	-	22,200	57,600	-	41,500	188,600
40301	Retirement Contrib-ER Classic	127,700	-	42,100	128,400	-	78,700	376,900
40302	Retirement Contrib-ER Pepra	73,600	4,900	10,300	16,200	9,800	74,800	189,600
40305	Retirement Contrib-ER UAL Classic	-	-	-	-	-	-	-
40306	Retirement Contrib-ER UAL Pepra	-	-	-	-	-	-	-
40307	Retirement Contrib-ER ADP Classic	-	-	-	-	-	-	-
40320	Retirement Contrib-CEPPT	179,200	6,500	43,700	101,500	13,000	156,100	500,000
Health & Other Benefits								1,275,300
40401	Med Ins Prem-EE/BOD	352,200	27,000	85,900	164,500	31,800	316,200	977,600
40402	Med Deduct Reimb-EE/BOD	33,500	2,000	6,500	14,500	2,500	34,000	93,000
40403	Med Out-of-Pocket-EE/BOD	6,700	400	1,300	2,900	400	6,900	18,600
40404	Dental Ins Prem-EE/BOD	26,400	2,200	7,100	12,600	2,600	21,600	72,500
40405	Vision Exam Reimb-EE/BOD	10,500	600	2,000	4,500	800	10,600	29,000
40406	Glasses/Contct Reimb-Actve Emp	-	-	-	-	-	-	-
40407	Eye Surgery Reimb-Active Empl	-	-	-	-	-	-	-
40420	Life Ins Prem-Active EE	10,500	700	2,700	4,700	800	7,800	27,200
40440	Safety & Wellness Incentive Program-EE/BOD	-	-	-	-	-	35,000	35,000
40445	Physicals, Vaccines, DTAP	-	-	-	-	-	4,300	4,300
40610	Car & Phone Allowance	-	-	-	-	-	16,900	16,900
40430	Directors' 457 Deferred Comp	-	-	-	-	-	1,200	1,200
Payroll Burden								458,700
40200	Social Security Tax	108,700	4,000	27,000	61,700	8,100	88,100	297,600
40210	Medicare Tax	26,000	900	6,300	14,700	1,900	23,100	72,900
40221	Workers' Comp Ins	55,200	2,000	13,400	9,600	4,000	4,000	88,200
Retiree Health/OPEB								370,000
40500	OPEB / CERBT Contribution	7,200	300	1,700	4,100	500	6,200	20,000
40501	Med Ins Prem-Retired Empl/Dir	125,500	4,500	30,600	71,100	9,100	109,200	350,000
40502	Dental Ins Prem-Ret Emp/Dir	-	-	-	-	-	-	-
40505	Med Ded Reimb-Retired Empl/Dir	-	-	-	-	-	-	-
Liability Insurance								245,000
41000	General Liability Insurance	-	-	-	-	-	245,000	245,000
Repairs & Maintenance								408,000
43020	Repairs & Maintenance (R&M)	200,000	20,000	100,000	-	78,000	10,000	408,000
Utilities & Phone Services								228,500
44060	Mobile Phones/Data Plns/Pagers	500	400	-	10,000	-	500	11,400
44010	Electricity & Water	-	500	105,000	-	-	-	105,500
44020	Natural Gas	-	60,000	-	-	-	-	60,000
44030	Solid Waste Disposal	-	10,000	-	-	-	-	10,000
44040	Wastewater Treatment Fees	-	9,000	-	-	-	-	9,000
44050	Propane	-	-	3,600	-	-	-	3,600
44070	Telephone Expense	-	-	12,000	-	-	12,000	24,000
44080	Internet Service	-	-	-	-	-	5,000	5,000
Ad Valorem & Sewer Svc Billing Fees to Counties								155,000
41070	Billing Expense	-	-	-	-	-	155,000	155,000
Supplies - Operating & Safety								120,000
42010	Operating Supplies/Equip/Furniture	50,000	15,000	2,000	3,000	20,000	30,000	120,000
Fuel Expense								93,000
42000	Fuel Expense-Unleaded & Diesel	60,000	-	18,000	13,000	-	2,000	93,000
Outside Services								218,300
42050	Outside Services-General	25,000	20,000	25,000	53,000	-	95,300	218,300
Legal Fees								65,000
41060	Legal Fees	-	-	-	-	-	65,000	65,000
Travel/Training/Mtgs: Gen-Safety-EE Relations								213,800
41090	Travel/Training/Meetings	15,000	200	11,000	25,000	800	83,000	135,000
41120	Employee Relations	3,000	100	400	600	-	41,200	45,300
41125	Public Education & Outreach	-	-	-	-	-	30,000	30,000
42035	LogoWear	-	-	-	-	-	3,500	3,500
Info Tech & Office Expenses								220,000
41030	Computer Hardware Expense	-	-	-	45,000	-	-	45,000
41020	Software Expense	-	-	-	160,000	-	-	160,000
41010	Office Supplies	-	-	-	-	-	15,000	15,000
Dues, Subscriptions & Memberships								49,400
41040	Dues/Subscriptions/Memberships	10,000	200	1,500	2,500	200	35,000	49,400
Uniforms, Linen & Safety Boots								27,300
40615	Uniform Allowance	-	-	-	-	-	-	-
42030	Uniforms	20,000	500	600	600	600	-	22,300
42040	Linen Service	-	-	-	-	5,000	-	5,000
Environmental Permits & Fees								38,000
42060	Environmental Permits & Fees	15,000	1,500	20,000	-	1,500	-	38,000
LAFCO Expenses								10,000
41150	LAFCO Expenses	-	-	-	-	-	10,000	10,000
Printing & Publications								15,000
41050	Printing & Publication Expense	-	-	-	-	-	15,000	15,000
Misc-Current YR								1,800
41080	Bank Charges	-	-	-	-	-	500	500
45000	Other Expense	300	-	400	400	-	200	1,300
TOTAL EXPENDITURES		3,450,000	260,000	1,050,000	2,025,000	325,000	3,530,000	10,640,000

**APPENDIX B
TABLE 1**

**TRUCKEE SANITARY DISTRICT
20-YEAR FORECAST ASSUMPTIONS**

REVENUE ASSUMPTIONS

User Fees		No Increases FY24 - FY33
User Fees		4.50% Increase FY34 - FY38
User Fees		No Increases FY39 - FY43
Property Tax	% Year over Year	3.00%
Users (# of EDUs)	% Year over Year	1.00%
Interest Earned	ROI	2.00%

EXPENSE ASSUMPTIONS

Salaries	% Year over Year	3.00%
ER Taxes, Med Ins, Acc Benes	% Year over Year	5.00%
CERBT	Based on OPEB PECTA & Trust Fund Balance	
Retiree Bill Premiums	Based on Actuarial Rpt through FY30, then 4% Thereafter	
Retirement - Normal Costs	Based on CalPERS Valuation Rpt Percentages	
Retirement - UAL	Based on \$0.5M CEPPT Contribution for FY24, at \$300,000 for anticipated CalPERS assumption change and CalPERS FY22 Investment Losses	
O & M	% Year over Year	3.00%
Capital Expenditures	% Completed	100.00%

RESERVE FUND POLICY

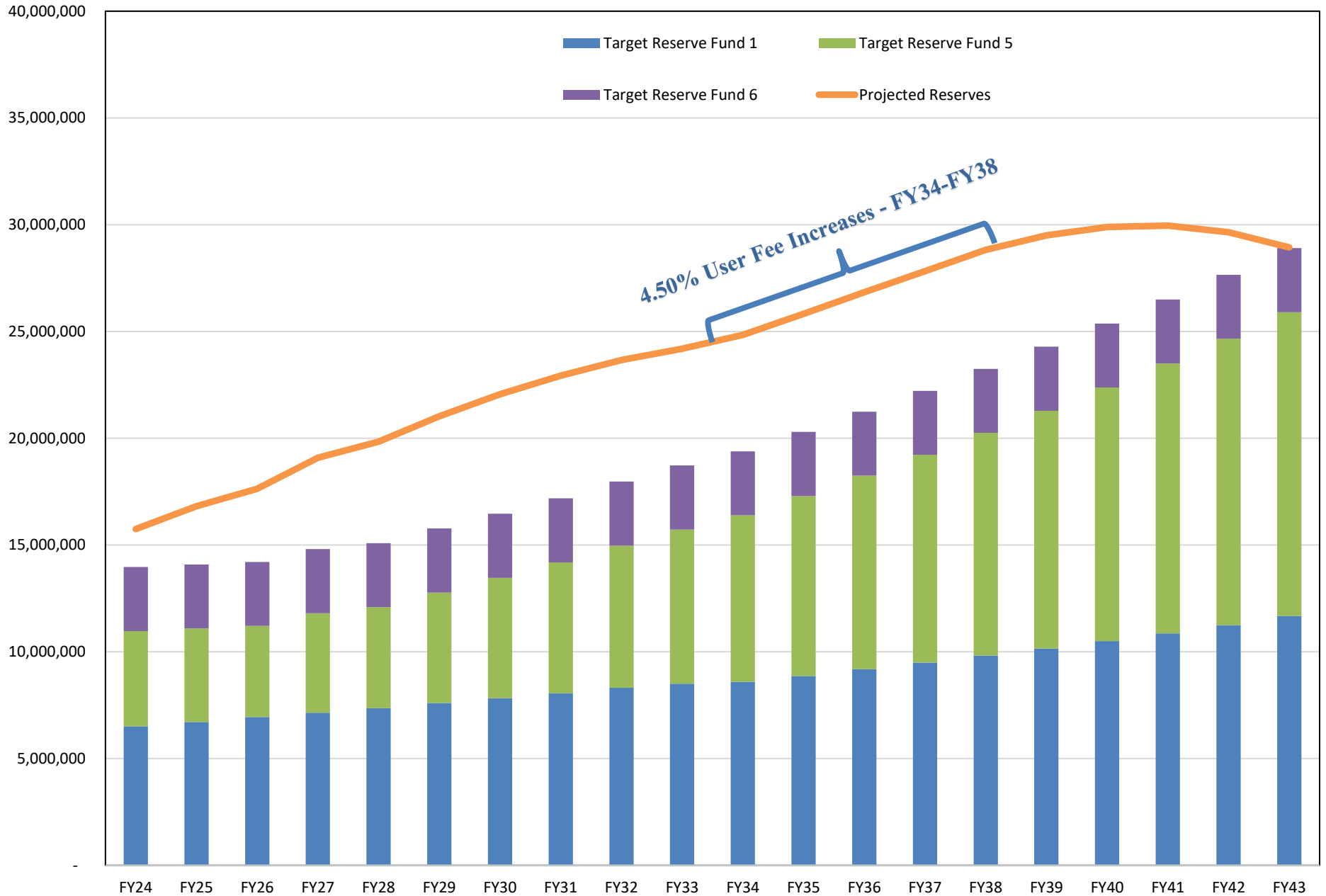
Fund 1 Target	60% of Operating Expenses
Fund 5 Target	60% of 5-year rolling Fund 5 Expenses
Fund 6 Target	\$3,000,000

TRUCKEE SANITARY DISTRICT
20 YEAR FORECAST

FUND	BUDGET	PROJECTED	BUDGET	Forecast																		
	FY 23	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39	FY 40	FY 41	FY 42	FY 43
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
UNRESTRICTED FUND																						
1-GENERAL																						
Beginning Balance	6,823,000	7,114,500	6,865,000	6,675,000	6,705,000	6,935,000	7,145,000	7,355,000	7,595,000	7,835,000	8,055,000	8,305,000	8,505,000	8,585,000	8,865,000	9,175,000	9,485,000	9,815,000	10,145,000	10,495,000	10,855,000	11,235,000
Revenue																						
User Fees	4,380,000	4,425,000	4,470,000	4,510,000	4,560,000	4,610,000	4,660,000	4,710,000	4,760,000	4,810,000	4,860,000	4,910,000	5,180,000	5,470,000	5,770,000	6,090,000	6,430,000	6,490,000	6,550,000	6,620,000	6,690,000	6,760,000
Fees for Services	75,000	50,000	50,000	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000	60,000	61,000	62,000	63,000	64,000	65,000	66,000	67,000	68,000	69,000
Tax Revenue	7,260,000	7,770,000	8,060,000	8,300,000	8,550,000	8,810,000	9,070,000	9,340,000	9,620,000	9,910,000	10,210,000	10,520,000	10,840,000	11,170,000	11,510,000	11,860,000	12,220,000	12,590,000	12,970,000	13,360,000	13,760,000	14,170,000
Interest Earned	62,000	277,000	300,000	194,000	194,000	199,000	203,000	207,000	212,000	217,000	221,000	226,000	230,000	232,000	237,000	244,000	250,000	256,000	263,000	270,000	277,000	285,000
Other	98,000	78,000	220,000	227,000	234,000	241,000	248,000	255,000	263,000	271,000	279,000	287,000	296,000	305,000	314,000	323,000	333,000	343,000	353,000	364,000	375,000	386,000
Interest Earned & Other	160,000	355,000	520,000	421,000	428,000	440,000	451,000	462,000	475,000	488,000	500,000	513,000	526,000	537,000	551,000	567,000	583,000	599,000	616,000	634,000	652,000	671,000
Total Revenues	11,875,000	12,600,000	13,100,000	13,282,000	13,590,000	13,913,000	14,235,000	14,567,000	14,911,000	15,265,000	15,628,000	16,002,000	16,606,000	17,238,000	17,893,000	18,580,000	19,297,000	19,744,000	20,202,000	20,681,000	21,170,000	21,670,000
Expenditures																						
Classic Salaries excl OT/Cashouts/Safety	(2,363,000)	(2,325,000)	(2,306,000)	(1,865,000)	(1,807,000)	(1,240,000)	(1,146,000)	(975,000)	(1,005,000)	(864,000)	(537,000)	(401,000)	(413,000)	(283,000)	(146,000)	(150,000)	(155,000)	(159,000)	-	-	-	-
Pepra Salaries excl OT/Cashouts/Seasonal Wage	(2,085,000)	(2,027,000)	(2,557,900)	(3,206,000)	(3,416,000)	(4,251,000)	(4,510,000)	(4,850,000)	(4,996,000)	(5,316,000)	(5,829,000)	(6,156,000)	(6,341,000)	(6,672,000)	(7,019,000)	(7,230,000)	(7,446,000)	(7,670,000)	(8,064,000)	(8,305,000)	(8,555,000)	(8,811,000)
BOD Salaries	(36,000)	(36,000)	(36,800)	(38,000)	(39,000)	(40,000)	(41,000)	(42,000)	(43,000)	(44,000)	(45,000)	(46,000)	(47,000)	(48,000)	(49,000)	(50,000)	(52,000)	(54,000)	(56,000)	(58,000)	(60,000)	(62,000)
OT/Cashouts/Seasonal Wages/Safety	(279,300)	(305,300)	(126,200)	(219,000)	(219,000)	(224,000)	(229,000)	(234,000)	(239,000)	(244,000)	(250,000)	(256,000)	(262,000)	(268,000)	(274,000)	(280,000)	(287,000)	(294,000)	(301,000)	(308,000)	(315,000)	(323,000)
Accr Benes, ER Taxes, Ins, Wellness	(1,666,600)	(1,488,400)	(1,879,900)	(1,974,000)	(2,073,000)	(2,177,000)	(2,286,000)	(2,400,000)	(2,520,000)	(2,646,000)	(2,778,000)	(2,917,000)	(3,063,000)	(3,216,000)	(3,377,000)	(3,546,000)	(3,723,000)	(3,909,000)	(4,104,000)	(4,309,000)	(4,524,000)	(4,750,000)
Retirement Contrib-EE Classic	(204,200)	(200,900)	(188,600)	(161,000)	(156,000)	(107,000)	(99,000)	(84,000)	(87,000)	(75,000)	(46,000)	(35,000)	(36,000)	(24,000)	(13,000)	(13,000)	(13,000)	(14,000)	-	-	-	-
Retirement Contrib-ER Classic	(340,600)	(335,300)	(376,900)	(269,000)	(261,000)	(179,000)	(165,000)	(141,000)	(145,000)	(125,000)	(77,000)	(58,000)	(60,000)	(41,000)	(21,000)	(22,000)	(22,000)	(23,000)	-	-	-	-
Retirement Contrib-ER Pepra	(161,200)	(156,700)	(189,600)	(244,000)	(260,000)	(323,000)	(343,000)	(369,000)	(380,000)	(404,000)	(443,000)	(468,000)	(482,000)	(507,000)	(533,000)	(549,000)	(566,000)	(583,000)	(613,000)	(631,000)	(650,000)	(670,000)
Retirement Contrib-ER UAL Classic	(355,900)	(355,900)	-	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	-	-	-	-	-	-	-	-	-
Retirement Contrib-ER UAL Pepra	(8,500)	(8,600)	-	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	-	-	-	-	-	-	-	-	-
Retirement Contrib-ER ADP Classic	-	(2,400,000)	-	(850,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retirement Contrib-CEPPT	(500,000)	500,000	(500,000)	850,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Retiree Bills/Premiums	(265,000)	(262,700)	(350,000)	(367,000)	(385,000)	(420,000)	(448,000)	(484,000)	(501,000)	(519,000)	(540,000)	(562,000)	(584,000)	(607,000)	(631,000)	(656,000)	(682,000)	(709,000)	(737,000)	(766,000)	(797,000)	(829,000)
CERBT Inputs/Outputs	(100,000)	(300,000)	(20,000)	(9,000)	2,000	30,000	51,000	79,000	88,000	98,000	111,000	125,000	262,000	272,000	287,000	303,000	319,000	336,000	354,000	372,000	392,000	413,000
Operations & Maintenance	(1,934,700)	(1,820,200)	(2,108,100)	(2,171,000)	(2,236,000)	(2,303,000)	(2,372,000)	(2,443,000)	(2,516,000)	(2,591,000)	(2,669,000)	(2,749,000)	(2,831,000)	(2,916,000)	(3,003,000)	(3,093,000)	(3,186,000)	(3,282,000)	(3,380,000)	(3,481,000)	(3,585,000)	(3,693,000)
Total Expenditures	(10,300,000)	(11,522,000)	(10,640,000)	(10,843,000)	(11,170,000)	(11,554,000)	(11,908,000)	(12,263,000)	(12,664,000)	(13,050,000)	(13,423,000)	(13,843,000)	(14,177,000)	(14,310,000)	(14,779,000)	(15,286,000)	(15,813,000)	(16,361,000)	(16,901,000)	(17,486,000)	(18,094,000)	(18,725,000)
Cost Allocations (Funds 2, 4, 5, 6 & 10)	65,000	72,000	65,000	65,000	18,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Gain (Loss) in Fund Before Transfer	1,640,000	1,150,000	2,525,000	2,504,000	2,438,700	2,359,000	2,327,000	2,304,000	2,247,000	2,215,000	2,205,000	2,159,000	2,429,000	2,928,000	3,114,000	3,294,000	3,484,000	3,383,000	3,301,000	3,195,000	3,076,000	2,945,000
Transfers (Fund 5)	(1,790,000)	(1,400,000)	(2,715,000)	(2,474,000)	(2,208,700)	(2,149,000)	(2,117,000)	(2,064,000)	(2,007,000)	(1,995,000)	(1,955,000)	(1,959,000)	(2,349,000)	(2,648,000)	(2,804,000)	(2,984,000)	(3,154,000)	(3,053,000)	(2,951,000)	(2,835,000)	(2,696,000)	(2,496,000)
Net Gain (Loss) in Fund After Transfer	(150,000)	(250,000)	(190,000)	30,000	230,000	210,000	210,000	240,000	240,000	220,000	250,000	200,000	80,000	280,000	310,000	310,000	330,000	330,000	350,000	360,000	380,000	449,000
Ending Balance (Operating Reserve)	6,673,000	6,865,000	6,675,000	6,705,000	6,935,000	7,145,000	7,355,000	7,595,000	7,835,000	8,055,000	8,305,000	8,505,000	8,585,000	8,865,000	9,175,000	9,485,000	9,815,000	10,145,000	10,495,000	10,855,000	11,235,000	</

APPENDIX B

TRUCKEE SANITARY DISTRICT 20 Year Reserve Fund Forecast



MEMORANDUM

DATE: June 5, 2023

TO: Blake R. Tresan, General Manager *BT*

FROM: Raymond P. Brown, Assistant General Manager/District Engineer *RPB*

CC: Mark Wasley, Finance and Administrative Services Manager

SUBJECT: ALLOCATION OF SAD 5 & MVI FUNDS FOR THE FY 2024 BUDGET

A significant portion of the sanitary sewer infrastructure in the Truckee Sanitary District was installed with funding from sewer assessment districts. In most cases, all the monies collected through the assessment districts were used in the initial installation of the sewer facilities. Two areas where monies remain from the initial assessments are Sewer Assessment District 5 (SAD 5) and the Martis Valley Interceptor (MVI). The remaining assessment monies from these areas is currently retained in restricted funds, called the SAD 5 Fund and MVI Fund, respectively. According to the District's legal counsel, the monies in these funds can be used to pay for ongoing operations and maintenance work within their respective areas. The purpose of this memorandum is to estimate the amount of money that should be allocated from the SAD 5 and MVI Funds for the FY 2024 budget.

For the purpose of this analysis, it is assumed that the cost of operating and maintaining sewer facilities is roughly proportional to its size. To determine the amount of money that should be allocated from the SAD 5 and MVI funds for the FY 2024 budget, staff has estimated the fraction of infrastructure in the SAD 5 and MVI to the District as a whole. A summary of this data can be seen in Table 1, below. It can be seen that SAD 5 contains approximately 1.79% of the District's assets and the MVI contains 1.21%. Therefore, it is recommended that 1.79% and 1.21% of the total Collection Systems (TSD Department 1000) operating budget be allocated from the SAD 5 and MVI funds in FY 2024, respectively, to cover these costs.

Table 1
Comparison of Sewer Facilities in SAD 5 & MVI to District Totals

Parameter	District Totals	SAD 5 Facilities	% in SAD 5	MVI Facilities	% in MVI
Number of Pipe Segments	4,609*	86	1.87	34	0.74
Length of Pipe Segments, ft	1,217,672*	22,382	1.84	9,493	0.78
Inch Diameter Mile	1557*	26	<u>1.67</u>	<u>33</u>	<u>2.12</u>
Average			1.79		1.21

*Number includes only "TSD Active" pipes.