



**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2026
ANNUAL BUDGET**



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

Adopted June 19, 2025

**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2025-2026
ANNUAL BUDGET**

Board of Directors:

Jerry Gilmore, President
Catherine Hansford, Vice President
Michael R. Salmon
Brian K. Smart
Marcus Waters, DC

District Budget Workgroup:

Sanna M. Schlosser, PE, PMP, General Manager
Mark J. Wasley, Finance & Administrative Services Manager
Sarah K. Bergeron, PE, District Engineer
Rene R Lopez, Operations and Maintenance Superintendent
Brynnen M. Lopez, Human Resources & Risk Manager
Angie A. Rea, Senior Accountant

District Administrative Office:

12304 Joerger Drive
Truckee, California 96161
Telephone: (530) 587-3804
www.truckeesan.org

TABLE OF CONTENTS

RESOLUTION ADOPTING THE FY26 ANNUAL BUDGET

BUDGET MEMORANDUM FROM GENERAL MANAGER

TABLES

1. Annual Budget – All Funds – FY26
2. Operating Budget – Fund 1 - FY26 - Comparison to FY25 Budget and Projected Actuals
3. Staffing Plan – FY26
4. Outside Services Budget Detail – FY26
5. Computer Hardware, Software, IT Support Budget Detail – FY26
6. Travel & Training Budget Detail – FY26
7. Capital Improvement – Fund 4 – 5-Year Budget Plan – FY26 thru FY30
8. Capital Improvement – Fund 5 – 5-Year Budget Plan – FY26 thru FY30
9. Description of Capital Projects – FY26
10. Fleet and Equipment Replacement Schedule – FY26 thru FY30
11. Fund Balance by Fund – FY26

APPENDICES

- A. Operating Budget Detail – Budgeted Expenditures by Category, Code and Department
- B. 20-Year Reserve Fund Forecast Table, Assumptions and Chart
- C. Martis Valley Interceptor Cost Allocation Memorandum

**TRUCKEE SANITARY DISTRICT
BOARD OF DIRECTORS
RESOLUTION NO. 2025-112**

**A RESOLUTION ADOPTING THE OPERATING AND CAPITAL
BUDGET FOR FISCAL YEAR 2025-2026
FOR THE TRUCKEE SANITARY DISTRICT**

WHEREAS, the staff of the Truckee Sanitary District have developed a budget for fiscal year 2025-26 (from July 1, 2025 through June 30, 2026); 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 2025-26; 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 2025-26.

PASSED AND ADOPTED by the Board of Directors of the Truckee Sanitary District at a regular meeting of the Board, held on the 19th day of June, by the following roll call vote:

AYES:	Gilmore, Hansford, Salmon, Smart, Waters
NOES:	None
ABSENT:	None
ABSTAIN:	None



Jerry Gilmore
President of the Board of Directors



Sanna Schlosser
Board Secretary



MEMORANDUM



Date: June 19, 2025
To: Board of Directors
From: Sanna Schlosser, General Manager
Subject: FISCAL YEAR 2026 ANNUAL BUDGET

The purpose of this memorandum is to present the annual budget for the Truckee Sanitary District (“District”) for fiscal year 2026 (FY26). The budget lays out a financial map for the District for the period July 1, 2025 through June 30, 2026. The budget is separated into two categories: operations and capital, and tracks changes in the four 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 diligence of Mark Wasley, Sarah Bergeron, Brynne Lopez, Rene Lopez 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 12,394 residential units and approximately 581 commercial accounts as of June 30, 2025. 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, publicly-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.

FY25 Highlights

Before presenting the FY26 budget, it is worthwhile to highlight a few FY25 items where the projected actual results differ from the approved budget:

- Operating Revenue is projected to equal the FY25 budgeted revenue of \$14.0 million . The District is projected to receive higher than budgeted investment income and higher than budgeted property tax revenue from both Nevada and Placer Counties in FY25. Offsetting those higher projected revenues, county administrative costs for the collection of property taxes are being recorded as an offset of property tax revenue and the District is not projected to sell older vehicles that were budgeted to sell in FY25. The cumulative effect is \$14.0 million in projected revenues for FY25.
- Operating Expenditures are projected to be \$11.42 million, \$0.35 million more than FY25 budget after accounting for an additional \$0.50 million contribution to the District's California Employers' Pension Prefunding Trust (CEPPT) account, and a \$1.0 million contribution to the District's California Employers' Retiree Benefit Trust Fund (CERBT) account. The CEPPT and CERBT contributions were approved by the District Board on April 17, 2025. Excluding the unbudgeted discretionary contribution payments to the CEPPT and CERBT, operating expenditures are projected to be \$1.15 million less than budgeted for FY25. The reduction in expenditures, prior to the discretionary contribution payments are, in part, due to savings in salaries and wages and associated benefits due to the timing of filling retirees' positions, two intentional unfilled full-time positions, and lower than anticipated expenditures for operating activities (e.g., travel, training, outside services, and the netting of county administrative cost expensed under property tax revenue)..
- The Board approved a General Fund transfer of \$1.0 million into the District's Repair, Replacement, and Upgrade Reserve Fund (Fund 5) and \$1.0 million into the District's Emergency Contingency Reserve Fund (Fund 6) on April 17, 2025, further strengthening these Board-designated funds to pay for future capital and/or emergency expenditures of the District. The investment of District reserves are anticipated to generate \$0.93 million in interest and investment income during FY25.
- The Board reviewed the District's Investment Policy on April 17, 2025, with staff's recommendation and Board approval for no changes made to the policy.
- The Board reviewed the District's Reserve Fund Policy on April 17, 2025, with a single change to remove a Fund which became fully depleted during FY25 approved by the Board

FY26 Budget Highlights

FY26 Fund 1 – Operating Budget

- Net operating revenues (operating revenues less operating expenditures) for FY26 are estimated to be \$3.00 million. All \$3.00 million is projected to be transferred to Fund 5 to fund future capital expenditures needs.
- Operating revenues for FY26 are budgeted at \$14.40 million (2.86% increase over both FY25 projected actuals, and FY25 budget).
 - User fee revenue is budgeted at \$4.58 million in FY26 (1.00% increase over FY25 projected actuals). User fees represent 31.8% of total operating revenues.
 - Property tax revenue is budgeted at \$9.06 million for FY26 (3.54% increase over FY25 projected actuals). Property taxes represent 62.9% of total operating revenues.
- Operating expenditures for FY26 are budgeted at \$11.4 million (a 0.16% decrease from FY25 projected actuals, 3.03% increase over FY25 budget), including:
 - \$5.26 million in salaries and wages;
 - \$3.44 million in benefits and payroll burden;
 - \$0.36 million in other post-employment benefits (OPEB);
 - \$2.34 million in other operating costs.

FY26 Funds 4 & 5 – Capital Budget

- Capital expenditures in FY26 are estimated to be \$2.65 million, including:
 - \$0.00 million in capacity facilities expansion;
 - \$1.20 million in Engineering Department improvements;
 - \$0.58 million in vehicle & equipment purchases;
 - \$0.87 million in other capital projects.

FY26 – Total Budget

- Total District reserves in FY26 are estimated to increase by approximately \$0.90 million beginning the year at \$22.28 million and ending the year at \$23.18 million.

FY26 Budget Details

A detailed description of the annual budget for FY26 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 FY26, staff anticipates an increase in Fund 1 operating revenues of approximately \$0.40 million and an increase of \$0.17 million in expenditures over the current year projected actuals (Table 2).

Operating Revenues

Operating revenues for FY26 are budgeted at \$14.40 million (2.86% increase from both the FY25 projected actuals and the FY25 budget) – an increase of \$0.40 million. 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.

Staff is budgeting a 3.5% increase in property tax revenues over FY25 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 7.17% 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 3.5% increase as a realistic and conservative assumption for the FY26 budget.

Operating Expenditures

Operating expenses for FY26 are budgeted at \$11.40 million (0.16% decrease from FY25 projected actuals, 3.03% increase from FY25 budget). The increase (FY26 budget vs FY25 budget), is attributable to a 3.00% cost of living (COLA) wage increase approved by the Board on May 17, 2025, increased payroll related burden costs, and increased retiree health care costs.

Staffing: According to the staffing plan, a total of 40.58 full-time-equivalents (FTEs) will be employed by the District during the coming year (Table 3). This is an increase of 3.00 FTEs from FY25 projected actuals. The staffing increase consists of two FTEs that remained unfilled during FY25 plus overlap of retiring staff training new staff. The 3.00% cost of living adjustment (COLA) has been incorporated into the annual budget.

Employee Benefits: The District provides employees with a number of benefits including health insurance, pension contributions, social security, Medicare, workers compensation insurance, dental insurance and vision expense reimbursement. Overall, these benefits are estimated to cost the District \$3.44 million in FY26 (1.35% decrease from FY25 projected actuals, 4.64% increase from FY25 budget). The decrease between FY26 budget and FY25 projected actuals is primarily due to one-time Board approved FY25 additional contribution of \$0.50 million to the District’s California Employers’ Pension Prefund Trust (CEPPT) account and \$1.00 million to the District’s California Employers’ Retiree Benefit Trust Fund (CERBT) account, offset by increases in FY 26 budgeted expenditures for healthcare, pension and other retiree healthcare costs.

Pension Contributions: For FY26, the District anticipates making \$1.46 million in pension contributions to CalPERS. These contributions include \$505,000 in employer normal costs, \$124,000 in Classic employee normal costs paid for by the District, \$148,500 in Supplemental Retirement benefits, \$185,000 in required Unfunded Accrued Liability (UAL) payments, 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%). Excluding CEPPT, ADP, and required UAL contributions, the District's normal costs to CalPERS in FY26 are anticipated to increase by \$7,000 over FY25 projected actuals despite increased wages. As the District's staffing continues to shift from Classic to PEPRA (10 to 30.5 respectively for FY26), 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 healthcare insurance for its employees through a contract with CalPERS. CalPERS sets premiums for each calendar year in the prior June. For calendar 2026, medical health insurance premiums are budgeted to increase by 10% (January – June). The overall health insurance costs for the District are estimated to be \$1.20 million in FY26, an increase of \$0.21 over FY25 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 \$463,000 in FY26, an increase of \$29,000 over FY25 projected actuals, mostly attributable to an increase in FTEs and 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 \$13,000 in FY26 over FY25 projected actuals due to an anticipated 10% increase in coverage. Vision coverage is provided through a District sponsored reimbursement program. For FY26, vision costs are anticipated to increase by \$19,000 from FY25 projected actuals, from \$20,000 in FY25 to \$39,000 in FY26, primarily due to anticipated increased participation in the vision reimbursement program .

Retiree Benefits: District retirees are eligible for healthcare insurance benefits (OPEB) through CalPERS in accordance with a vesting schedule. Upon retirement, employees with 10 years of CalPERS service credit, receive 50% of their healthcare insurance costs covered by the District. For each additional year of service credit with the District, employees receive a 5% increase up to 100% of their healthcare insurance costs after 20 years of service credit. To be eligible, retirees must utilize the District's insurance provider. The District has two cost components associated with providing retiree healthcare insurance: 1) the cost of premiums for retirees, and 2) contributions or disbursements to/from the District's retiree benefit trust fund (CERBT). For FY26, the District anticipates expenditures for health insurance premiums for retirees to be \$600,000, an increase of \$105,000 over FY25 projected actuals, primarily driven by additional retirees and anticipated increases in health insurance premium rates. As of the June 30, 2024 OPEB valuation report, the value of the District's health trust fund is \$7,497,000, \$1,695,000 lower than the estimated OPEB liability of \$9,190,000, a funding status of 81.5%. To offset the increase in the District's OPEB Liability, the Board approved a \$1.0 million CERBT contribution paid on April 29, 2025. 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 \$263,000 increase in Outside Service costs in FY26 over the FY25 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 FY26 by approximately \$45,000 over FY25 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 \$56,000 higher than the FY25 projected actuals. This increase is primarily due to an increased focus on professional development and training for all employees. Local and off-site trainings, conferences, and workshops are budgeted for operations, engineering, and administrative staff in FY26 along with professional development opportunities.

Net Operating Revenues

Overall, operating revenues are budgeted to exceed expenditures by \$3.00 million for FY26. A total of \$3.00 million is budgeted to be transferred to Fund 5 to support funding future capital expenditure needs. 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.

Appendix A presents a detailed operating budget broken down by general ledger account number.

Capital Budget – Funds 4 & 5

Capital expenditures are defined as items or projects 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, investment earnings, and transfers from Fund 1 net operating revenues. In FY26, connection fees are budgeted to generate \$0.13 million in revenue. Investment earnings are anticipated to generate approximately \$0.42 million. A portion of the District's cash reserves are kept in CalClass and in US Treasury Securities investments. Both the CalClass and U.S. Treasury Securities investment earnings are allocated to unrestricted and restricted funds. For FY26, a total of \$3.00 million is anticipated to be transferred to Fund 5 from Fund 1 to help fund future capital expenditure needs.

Capital Budget Expenditures

Staff has developed a detailed 5-year capital improvement plan that includes approximately \$2.65 million in capital expenditures for FY26 and \$12.79 million over the next five years (Tables 7 and 8). Significant capital expenditures projected for FY26 include \$580,000 in vehicle & equipment purchases, \$250,000 for a SCADA system upgrade, \$250,000 for Boiler Replacements, and \$200,000 for the Finance and Accounting Software replacement 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 FY26 with approximately \$22.28 million in cash reserves. These District reserves are held in four 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 \$23.18 million in cash reserves, an increase of approximately \$0.90 million during FY26. 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 adopted in April 2025. The FY26 budget indicates that all funds will meet or exceed target balances throughout FY26.

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 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 – Capacity Reserve Fund (restricted)

The Capacity Reserve Fund is a restricted fund for use only on projects that increase the capacity of the District's sewer system. Revenue sources for this Fund come from connection fees and investment earnings on reserves. 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. The inflation index (ENR-CCI-SF) has not indicated substantive increases since August of 2022 and the District has not increased the connection fee for either 2024 or 2025.

Fund 5 – Repair, Replacement, and Upgrade Reserve Fund (Board designated/unrestricted)

Fund 5 or the Repair, Replacement, and Upgrade Reserve Fund is a board designated fund for use on capital improvements (projects and items with a cost of greater than \$15,000). This fund has no revenue source other than investment earnings on reserves 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.

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 FY36 – FY40;
 - 3.00% annual property tax increase;
 - Gradual, steady anticipated decreases in Classic pension retirement expenses with gradual, smaller anticipated increases in PEPRAs pension retirement expenses.
- Reserve Fund 4 – Capacity 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 – Repair, Replacement and Upgrade Reserve Fund (Board designated/unrestricted)
 - Anticipated steady increases in capital improvement expenditures funded from net operating revenues and investment income on Fund 5 reserve balance.
- Fund 6 – Emergency Contingency Reserve Fund (Board designated/unrestricted)
 - Maintain balance of \$5,000,000.

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 FY26 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 revenues are anticipated to exceed total operating and capital expenditures by \$0.90 million; this outcome results in a 4.04% increase in cash reserves from \$22.28 to \$23.18 million. Overall, the District's financial position remains stable, with no third-party debt and no significant liabilities 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 - FY26

FUND	AMOUNT
UNRESTRICTED FUNDS	
Fund 1 - General Fund	
REVENUE	
User Fees	4,580,000
Fees for Services	100,000
Tax Revenue - Ad Valorem	9,060,000
Interest & Investment Revenue	430,000
Rents & Leases	5,000
Other Revenue	225,000
TOTAL REVENUE	<u>14,400,000</u>
EXPENDITURES	
Salaries & Wages	5,255,100
Pension Benefits	1,462,500
Health & Other Benefits	1,511,100
Payroll Burden	462,700
Retiree Health/OPEB	360,000
Outside Services	450,000
Repairs & Maintenance	365,000
Operating Supplies	134,500
Uniforms, Linen & Safety Boots	34,200
Utilities & Phone Services	248,300
Fuel Expense	66,000
Environmental Permits & Fees	38,000
Prof Devel, EE Engagement, Public Outreach & Ed., Innovation/R&D	244,700
Info Tech & Office Expenses	225,000
Liability Insurance	345,000
Legal Fees	100,000
Sewer Svc Billing Fees from Counties	12,000
LAFCO Expenses	14,000
Dues, Subscriptions & Memberships	49,500
Printing & Publications	20,000
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	2,400
EXPENDITURE SUBTOTAL	<u>11,400,000</u>
<i>Cost Allocations to Funds 4, 5</i>	<u>-</u>
TOTAL EXPENDITURES	<u>11,400,000</u>
GENERAL FUND NET INCOME (LOSS)	3,000,000
<i>Transfer to Fund 5</i>	(3,000,000)
<i>Transfer to Fund 6</i>	<u>-</u>
GENERAL FUND NET INCREASE (DECREASE)	<u><u>-</u></u>

continued

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY26

FUND	AMOUNT
BOARD DESIGNATED FUNDS	
Fund 5 - Repair, Replacement and Upgrade Reserve Fund	
REVENUE	
Interest	300,000
EXPENDITURES	(2,650,000)
Transfers from Fund 1	3,000,000
FUND 5 NET INCOME (LOSS)	650,000
Fund 6 - Emergency Contingency Reserve Fund	
REVENUE	-
EXPENDITURES	-
Transfers	-
FUND 6 NET INCOME (LOSS)	-
RESTRICTED FUNDS	
Fund 4 - Capacity Reserve Fund	
REVENUE	
Connection Fees	130,000
Interest	120,000
TOTAL REVENUE	250,000
EXPENDITURES	-
Transfers	-
FUND 4 NET INCOME (LOSS)	250,000
TOTAL REVENUE - ALL FUNDS	14,950,000
TOTAL EXPENDITURE - ALL FUNDS	(14,050,000)
NET INCOME (LOSS) - ALL FUNDS	900,000

APPROVED BY BOARD OF DIRECTORS AT THEIR REGULAR MEETING JUNE 19, 2025

Sanna Schlosser, Secretary to the Board

Table 2
TRUCKEE SANITARY DISTRICT
FUND 1 - OPERATING BUDGET - FY26
COMPARISON to FY25 Budget and Projected Actuals

Fund 1 - General Fund	Budget FY25	Projected FY25	Budget FY26	FY26 Budget to FY25 Budget		FY26 Budget to FY25 Projected	
				Fav/(Unfav) \$	Fav/(Unfav) %	Fav/(Unfav) \$	Fav/(Unfav) %
REVENUE							
User Fees	4,525,000	4,535,000	4,580,000	55,000	1.2%	45,000	1.0%
Fees for Services	100,000	100,000	100,000	-	0.0%	-	0.0%
Tax Revenue - Ad Valorem	8,750,000	8,750,000	9,060,000	310,000	3.5%	310,000	3.5%
Interest & Investment Revenue	425,000	500,000	430,000	5,000	1.2%	(70,000)	-14.0%
Rents & Leases	5,000	5,000	5,000	-	0.0%	-	0.0%
Other Revenue	195,000	110,000	225,000	30,000	15.4%	115,000	104.5%
TOTAL REVENUE	14,000,000	14,000,000	14,400,000	400,000	2.86%	400,000	2.86%
EXPENDITURES							
Salaries & Wages	5,173,000	4,693,300	5,255,100	(82,100)	-1.6%	(561,800)	-11.97%
Pension Benefits	1,367,500	1,820,300	1,462,500	(95,000)	-6.9%	357,800	19.7%
Health & Other Benefits	1,441,200	1,229,500	1,511,100	(69,900)	-4.9%	(281,600)	-22.9%
Payroll Burden	475,200	433,500	462,700	12,500	2.6%	(29,200)	-6.7%
Retiree Health/OPEB	265,000	1,495,300	360,000	(95,000)	-35.8%	1,135,300	75.9%
Outside Services	347,500	187,000	450,000	(102,500)	-29.5%	(263,000)	-140.6%
Repairs & Maintenance	405,000	272,500	365,000	40,000	9.9%	(92,500)	-33.9%
Operating Supplies	91,000	120,500	134,500	(43,500)	-47.8%	(14,000)	-11.6%
Uniforms, Linen & Safety Boots	24,200	34,500	34,200	(10,000)	-41.3%	300	0.9%
Utilities & Phone Services	237,300	221,300	248,300	(11,000)	-4.6%	(27,000)	-12.2%
Fuel Expense	76,000	58,500	66,000	10,000	13.2%	(7,500)	-12.8%
Environmental Permits & Fees	40,500	37,500	38,000	2,500	6.2%	(500)	-1.3%
Prof Devel, EE Engagement, Public Outreach & Ed., Innovation/R&D	236,900	160,100	244,700	(7,800)	-3.3%	(84,600)	-52.8%
Info Tech & Office Expenses	230,000	180,000	225,000	5,000	2.2%	(45,000)	-25.0%
Liability Insurance	300,000	285,000	345,000	(45,000)	-15.0%	(60,000)	-21.1%
Legal Fees	100,000	85,000	100,000	-	0.0%	(15,000)	-17.6%
Sewer Svc Billing Fees from Counties	165,000	11,500	12,000	153,000	92.7%	(500)	-4.3%
LAFCO Expenses	12,000	11,500	14,000	(2,000)	-16.7%	(2,500)	-21.7%
Dues, Subscriptions & Memberships	50,600	50,600	49,500	1,100	2.2%	1,100	2.2%
Printing & Publications	25,000	30,000	20,000	5,000	20.0%	10,000	33.3%
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	2,100	600	2,400	(300)	-14.3%	(1,800)	-300.0%
EXPENDITURE SUBTOTAL	11,065,000	11,418,000	11,400,000	(335,000)	-3.03%	18,000	0.16%
<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)	(68,000)	-				
<i>Total Cost Allocations</i>	<u>(65,000)</u>	<u>(68,000)</u>	<u>-</u>				
TOTAL EXPENDITURES	11,000,000	11,350,000	11,400,000				
GENERAL FUND NET INCOME (LOSS)	3,000,000	2,650,000	3,000,000				
<i>Transfer to Fund 5 - Repair, Replacement, Upgrade Reserve Fund</i>	(1,810,000)	(1,000,000)	(3,000,000)				
<i>Transfer to Fund 6 - Emergency Contingency Reserve Fund</i>	(1,000,000)	(1,000,000)	-				
GENERAL FUND NET INCREASE (DECREASE)	190,000	650,000	-				

Table 3
Truckee Sanitary District
Staffing Plan FY26

DEPARTMENT	Actual				Projected	Budget
	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
1000 - Operations & Maintenance	17.00	16.25	15.92	15.92	15.75	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	3.00
4000 - Engineering/Inspections	7.00	7.00	6.83	6.50	6.00	7.00
5000 - Fleet & Equipment	1.00	1.00	1.00	1.00	1.00	1.00
6000 - Administration	11.00	11.21	12.50	10.75	10.83	12.42
TOTAL FTE	40.00	39.46	40.25	38.17	37.58	40.58

Projected FY25

O&M down 1 FTE in April-June
 Engineering does not include Senior Engineer or 3rd Inspector until 7/1/25
 Admin does not include Admin Assist I and Board Clerk add until 7/1/25

Budget FY26

O&M includes 1 Seasonal Intern 4/1-10/31/26
 Engineering Assumes Senior Engineer hired at 7/1/25
 Admin includes 1 Admin Assist II add effective 7/1/25
 Admin includes Senior Accountant overlap from 1/1/26 thru 4/30/26

Table 4
Truckee Sanitary District
Fund 1 - General Fund - FY26
Outside Services Budget Detail

Department	Description (GL 42050)	Amount
1000-Operations & Maintenance		
	Safety Consulting	3,000
	CHH Auditometric Testing	1,200
	DKF Safety	3,000
	SSMP Audit/Simulated Inspection	10,000
	SSMP Update	7,500
	Air test and Seal	3,000
	Other & Contingency	12,300
		40,000
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	8,000
	Gasboy	2,000
	Cashman Equipment	5,000
	HVAC Boiler Service	5,000
		20,000
4000-Engineering		
	Engineering (Design, Planning, CEQA, Code, etc.)	60,000
	Geotechnical Services	5,000
	IT Support	20,000
	Cybersecurity Contract	80,000
	Sierra Controls	15,000
	WEST consulting (Dump Closure)	15,000
	DTSC fees (Dump Closure)	15,000
	USA of Northern California	4,500
	UNR - Flow Measuring Software Research & Development	10,000
	Contingency	5,500
		230,000
6000-Administration		
	Answering Service	2,000
	DATCO Testing	5,000
	Navia Benefits Admin Fees	6,500
	Navia Fees Wellness Admin Fees	3,000
	Navia Fees COBRA Admin Fees	2,000
	Records Retention/Gladwell	5,000
	Actuarial Services/TCS	5,000
	Audit - James Marta & Co	37,500
	Human Resources Services	60,000
	Contingency	14,000
		140,000
Total Outside Services		450,000

Table 5
Truckee Sanitary District
Fund 1 - General Fund - FY26
Computer Hardware, Software & IT Support Budget Detail

Department	Description (GL 41020 & 41030)	Amount
Hardware upgrade/purchase - 01-4000-41030		
	5 Laptop Computers	15,000
	2 Computer Monitors	1,300
	7 Mobile Tablets/Accessories	10,500
	WiFi Upgrades	-
	GraniteNet Truck Computer	-
	Contingency	13,200
	Total Hardware	40,000
Software Expense - 01-4000-41020		
	Annual Maintenance	
	ClearSCADA	-
	Ignition (SCADA)	22,100
	ESRI	12,000
	Granite	6,500
	Lucity / TriTech / Central Square	21,600
	ParcelQuest	8,300
	Tyler ERP Pro SaaS	40,000
	Springbrook	19,200
	Alpenlily Website hosting	1,400
	Civic Clerk	8,200
	MSDS Online	4,400
	Trakstar	7,500
	Microsoft Office 365 (40 seats)	13,000
	Adobe Pro Acrobat (25 Lic)	3,500
	Norfield - Locator Logix	700
		168,400
	Software upgrade/purchase	
	Lucity Mobile (3 Seats)	9,000
	Ignition	in CIP
	1 year Autocad	2,500
	Contingency	5,100
		16,600
	Total Software & IT Support	185,000
	Total Hardware, Software & IT Support Expense	225,000

Table 6
Truckee Sanitary District
Fund 1 - General Fund - FY26
Professional Development Budget Detail

Department	Description (GL 41090)	Amount
1000-Operations & Maintenance		
	CWEA Annual Conference	5,000
	CWEA Northern Regional Conf	500
	CWEA Safety Day	1,000
	CWEA Awards Banquet	500
	CWEA Cert Prep Classes	500
	NASSCO Training	every 3 years
	Competent Trench Training	500
	Tri-State Reg Training Conf	3,000
	AC Pipe Training	1,500
	Meetings & Travel	2,500
		15,000
1300-Building & Grounds		
	CWEA Safety Day	100
	CWEA Awards Banquet	200
		300
2000-Electrical & Mechanical		
	CWEA Annual Conference	3,000
	CWEA Safety Day	250
	Electrical Diagnosis Class	2,500
	Tri-State Conference	2,500
	Meetings & Travel	250
	Misc Telemetry Training	1,500
		10,000
4000-Engineering		
	WEFTEC Annual Conference	4,000
	CSDA Conference	2,500
	Lucity Annual Conference and Training	8,000
	ESRI User Conference	6,000
	SCADA Training	5,000
	Other Professional Development	4,500
		30,000
5000-Equipment & Fleet		
	Workshop safety class	800
	Meetings & Travel	500
		1,300

continued

Table 6
Truckee Sanitary District
Fund 1 - General Fund - FY26
Professional Development Budget Detail

Department	Description (GL 41090)	Amount
6000-Administration		
	CASA Annual Conference	6,500
	CASA Winter Conference	6,500
	CalPERS Conference	2,500
	Leadership Training - Mgt/Supervisory	15,000
	NTT Leadership	1,000
	Various on-site training & webinars	5,000
	SHRM Conference	5,000
	CalHR Conference	3,000
	Prof Devt/Exec Coaching	15,000
	Board Exec Training	2,500
	CSMFO/GFOA Conferences	5,000
	CSDA Conferences & Webinars	5,000
	Tyler Connect Conference	7,500
	CSDA Legislative Days (Board 1)	2,500
	CSDA Leadership Academy	2,500
	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
	Contingency	8,500
		105,000
Total		161,600

Table 7
Truckee Sanitary District
Capital Budget - FY26 - 5 Year Plan
Fund 4 - Capacity Facilities

CAPITAL PROJECT	Budget					
	FY26	FY27	FY28	FY29	FY30	Total
<u>Pipes</u>						
Pipeline Capacity Expansion - CT09-B28	-	90,000	-	-	-	90,000
Pipeline Capacity Expansion - TD24-A07	-	100,000	-	-	-	100,000
Pipeline Capacity Expansion - CT07-A08	-	-	50,000	-	-	50,000
Pipeline Capacity Expansion - CT07-A08a	-	-	120,000	-	-	120,000
Extending Laterals to Committed Donner Lake Lots	-	-	-	50,000	-	50,000
Total Pipes	-	190,000	170,000	50,000	-	410,000
<u>Lift Stations</u>						
Lahontan Lift Station Upgrade for Capacity - LAH3	-	250,000	-	-	-	250,000
Lahontan Lift Station Upgrade for Capacity - LAH3-FM	-	200,000	-	-	-	200,000
Lahontan Lift Station Upgrade for Capacity - LAH4	-	-	250,000	-	-	250,000
Lahontan Lift Station Upgrade for Capacity - LAH5	-	-	-	250,000	-	250,000
Lift Station 1B Upgrade Capacity	-	-	-	-	275,000	275,000
Total Lift Stations	-	450,000	250,000	250,000	275,000	1,225,000
<u>Fleet</u>						
Hydrojetting Truck - O&M/Cleaning (1)	-	-	-	-	-	-
Total Fleet	-	-	-	-	-	-
<u>Facilities</u>						
Administration Building Expansion Design	-	-	-	-	250,000	250,000
Total Facilities	-	-	-	-	250,000	250,000
TOTAL CAPITAL EXPENDITURES	-	640,000	420,000	300,000	525,000	1,885,000

(1) Hydrojetting Truck may be received, inspected and paid for subsequent to 6/30/25)

Table 8
Truckee Sanitary District
Capital Budget - FY26 - 5 Year Plan
Fund 5 - Repair, Replacement, and Upgrade Reserve Fund

CAPITAL PROJECT	Budget					
	FY26	FY27	FY28	FY29	FY30	Total
<u>Engineering Department</u>						
SCADA Upgrade	250,000	-	-	-	-	250,000
Town Paving Project - Manhole Adjustments	275,000	250,000	250,000	250,000	250,000	1,275,000
Upgrade Lift Stations Communications	100,000	100,000	100,000	-	-	300,000
Coachland Wet Well Rehabilitation	100,000	-	-	-	-	100,000
Glenshire Lift Stations Control Upgrades	100,000	-	-	-	-	100,000
Security Camera Upgrade	90,000	-	-	-	-	90,000
Foxmead LS Upgrade	75,000	325,000	-	-	-	400,000
Admin Server Upgrade	75,000	-	-	-	-	75,000
Drywell Coating - All Drywells	50,000	50,000	50,000	-	-	150,000
District Website Update	45,000	-	-	-	25,000	70,000
Pipeline Rehabilitation	-	350,000	-	350,000	-	700,000
Alder Creek LS Emergency Solutions	-	200,000	-	-	-	200,000
District Master Plan & Lift Station Master Plan	-	200,000	-	-	-	200,000
TSD Manhole Rehabilitation Projects	-	150,000	-	150,000	-	300,000
Schussing Lift Station Control Upgrade	-	150,000	-	-	-	150,000
Donner Lake Sub Station Plumbing Replacement	-	50,000	-	-	-	50,000
Electrical Upgrade for EV Fleet Requirements	-	35,000	150,000	-	-	185,000
Replace Pumps and Motors Alder Creek	-	-	250,000	-	-	250,000
Easement Acquisitions	-	-	75,000	-	75,000	150,000
Donner Creek Bypass System	-	-	-	500,000	500,000	1,000,000
Corporate Yard Parking Lot Slurry	-	-	-	-	75,000	75,000
Engineering Department Subtotal	1,160,000	1,860,000	875,000	1,250,000	925,000	6,070,000
<u>Operations & Maintenance Department</u>						
Boiler Replacements	250,000	-	-	-	-	250,000
Corporation Yard Overhead Door Replacement	50,000	-	-	-	75,000	125,000
Corporation Yard Defensible Space	50,000	-	50,000	-	50,000	150,000
Landscape & Grounds Improvements	50,000	-	-	50,000	-	100,000
Bypass Hose Replacement (6 inch)	50,000	-	-	-	-	50,000
Fuel Island Control Replacement	35,000	-	-	-	-	35,000
Front Gate Replacement	-	100,000	-	-	-	100,000
	485,000	100,000	50,000	50,000	125,000	810,000
Vehicle and Equipment						
Vehicle & Equipment Replacement (see table 9)	580,000	550,000	710,000	805,000	705,000	3,350,000
Operations & Maintenance Department Subtotal	1,065,000	650,000	760,000	855,000	830,000	4,160,000
<u>Finance and Administrative Services Department</u>						
Building Improvements & Office Equip	150,000	-	100,000	-	100,000	350,000
Finance and Accounting Software Replacement	200,000	-	-	-	-	200,000
Electronic Document and Management System	50,000	50,000	-	-	-	100,000
Performance Management Software	25,000	-	-	-	-	25,000
Finance and Administrative Services Department Subtotal	425,000	50,000	100,000	-	100,000	675,000
TOTAL CAPITAL EXPENDITURES	2,650,000	2,560,000	1,735,000	2,105,000	1,855,000	10,905,000

Table 9
Truckee Sanitary District
Capital Budget - FY26 - 5 Year Plan
Description Of Capital Projects

CAPITAL PROJECT	DESCRIPTION
Fund 4 - Capacity Reserve Fund	
Pipeline Capacity Expansion	Hydraulic model results previously indicated pipeline may be undersized and in need of upsizing. Model to be rerun in 2025 to confirm results.
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. Model to be rerun in 2025 to confirm results.
Lift Station 1B Upgrade Capacity	Hydraulic model has indicated station pumps may be undersized and in need of upsizing. Model to be rerun in 2025 to confirm results.
Hydrojetting Truck	Hydro cleaning of sewer lines.
Administrative Building Expansion Design	Administration building expansion design to house additional staff serving anticipated increase in customers.
Fund 5 - Repair, Replacement, and Upgrade Reserve Fund	
<u>Engineering Department</u>	
SCADA Upgrade	Replacement of SCADA software and hardware with Ignition Cloud based system
Town Paving Project - Manhole Adjustments	Adjustment of manhole frame and covers. Included in Town bid schedule, performed by paving contractor and TSD to reimburse the Town upon project completion.
Upgrade Lift Stations Communications	Due to age of the equipment and advancement in technologies communication upgrades with mixed technologies are anticipated.
Coachland Wet Well Rehabilitation	Wet well rehabilitation to remove damaged t-lock liner and stop ground water infiltration through concrete structure.
Glenshire Lift Stations Control Upgrades	Upgrade of RTU controls at the two Glenshire Lift Stations.
Security Camera Upgrade	Upgrade of security camera system.
Foxmead LS Upgrade	Consolidate 2 aging lift stations into a single station along Foxmead Lane.
Admin Server Upgrade	District Data and File Storage Server(s).
Drywell Coating	Corrosion prevention coating for l/s drywells, per the cathodic protection analysis in FY19.
District Website Update	To refresh and upgrade District website periodically.
Pipeline Rehabilitation	Pipeline rehabilitation via cured-in-place liners.
Alder Creek LS Emergency Solutions	Review contingency planning and design method to contain a spill in the event of station failure.
District Master Plan & Lift Station Master Plan	Hire an outside consultant to review and develop a comprehensive District Master Plan and replacement plan for the District's lift stations.
TSD Manhole Rehabilitation Projects	Manhole rehabilitation via cementitious or other lining method.
Schussing Lift Station Control Upgrade	Upgrade of RTU controls at the Schussing Lift Station.
Donner Lake Sub Station Plumbing Replacement	Replace guide rails, check valves, and stand pipes on the sub stations at Donner Lake.
Electrical Upgrade for EV Fleet Requirements	Install additional EV stations to service customers at TSD complex.
Replace Pumps and Motors Alder Creek	Evaluate and determine if Alder Creek pumps need replacement due to parts availability.
Easement Acquisitions	Purchase of easements on private properties to ensure access to District facilities.
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.
Corporate Yard Parking Lot Slurry	Slurry seal the parking lot to extend its useful life.
<u>Operations & Maintenance Department</u>	
Boiler Replacements	Replace aged boilers.
Corporation Yard Overhead Door Replacement	Replace aging overhead doors.
Corporation Yard Defensible Space	Vegetation maintenance to mitigate potential wildfire spread.
Landscape and Grounds Improvements	Refresh and update landscaping and grounds on an as needed basis.
Bypass Hose Replacement (6 Inch)	Replace the aged bypass hose that is used for emergency contingencies.
Fuel Island Control Replacement	Replace 'GasBoy' Fuel pump controls
Front Gate Replacement	Front gate replacement to provide more secure access.
Vehicle and Equipment Replacement & Disposals	See detailed schedule.
<u>Finance and Administrative Services Department</u>	
Building Improvements and Office Equipment	Building improvements and office equipment on an as needed basis.
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.
Performance Management Software	Replace underperforming performance management software

Table 10
Truckee Sanitary District
Capital Budget - FY26 - 5 Year Plan
Vehicle & Equipment Replacement Schedule - Fund 5

DESCRIPTION	Budget					Total
	FY26	FY27	FY28	FY29	FY30	
Loader w/ 12 ft Blade - O&M/Construction	340,000	-	-	-	-	340,000
2 Ton 5-yd Dump Truck & Sander - O&M/Construction	150,000	-	-	-	-	150,000
Generator - Caterpillar - 75kw - Lift Stations	60,000	-	-	-	-	60,000
Flatbed Equipment Trailer - O&M/Construction	30,000	-	-	-	-	30,000
Generator 150 kw - Lift Station	-	175,000	-	-	-	175,000
Generator Onan 20DNAF/Glenshire Gen Shed/Sulfide - LS	-	60,000	-	-	-	60,000
Backhoe/Loader	-	190,000	-	-	-	190,000
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
CCTV Box Truck with Lamp - O&M/TV	-	-	500,000	-	-	500,000
1/2 Ton Pickup - Engineering/Inspections	-	-	75,000	-	-	75,000
1/2 Ton Pickup - Engineering/Inspections	-	-	75,000	-	-	75,000
Generator - Caterpillar - 60KW - Lift Stations	-	-	60,000	-	-	60,000
Hydro-Excavation Combo Cleaner Vacuum Truck	-	-	-	600,000	-	600,000
1/2 Ton Truck - Double Cab - On-Call	-	-	-	75,000	-	75,000
Generator - Caterpillar (100 kW) - Lift Stations	-	-	-	60,000	-	60,000
Crack Sealer Fill Trailer - O&M/Construction	-	-	-	40,000	-	40,000
Compressor 160 CFM - O&M/Construction	-	-	-	30,000	-	30,000
1 Ton Pickup w/ Camper Shell - O&M/Cleaning	-	-	-	-	90,000	90,000
1/2 Ton Truck - Double Cab - Floater	-	-	-	-	80,000	80,000
CAT Mini Excavator - O&M/Construction	-	-	-	-	75,000	75,000
1/2 Ton Pickup w/ Camper Shell - O&M/TV	-	-	-	-	75,000	75,000
1/2 Ton Pickup w/ Camper Shell - O&M/TV	-	-	-	-	75,000	75,000
1/2 Ton Pickup w/ Camper Shell - O&M/Cleaning	-	-	-	-	75,000	75,000
1/2 Ton Pickup - Engineering/Inspections	-	-	-	-	75,000	75,000
1/2 Ton Pickup 1 - O&M/Cleaning	-	-	-	-	75,000	75,000
Forklift/Shop	-	-	-	-	70,000	70,000
Utility Equipment Trailer	-	-	-	-	15,000	15,000
Total Vehicles & Equipment	580,000	550,000	710,000	805,000	705,000	3,350,000

**Table 11
TRUCKEE SANITARY DISTRICT
Fund Balance by Fund - FY26**

	Fund				Total
	1 General Fund	5 Repair/Replace	6 Emergency	4 Capacity	
<u>FY26 Budget</u>					
Revenues	14,400,000	300,000	-	250,000	14,950,000
Expenditures	11,400,000	2,650,000	-	-	14,050,000
Cost Allocation	-	-	-	-	-
Net Expenditures	11,400,000	2,650,000	-	-	14,050,000
Net Revenues	3,000,000	(2,350,000)	-	250,000	900,000
Transfers	(3,000,000)	3,000,000	-	-	-
Net Increase / (Decrease)	-	650,000	-	250,000	900,000
<u>Fund Balance</u>					
Beginning Balance - Projected	7,550,000	6,900,000	5,000,000	2,825,000	22,275,000
Net Increase / (Decrease)	-	650,000	-	250,000	900,000
Ending Balance	7,550,000	7,550,000	5,000,000	3,075,000	23,175,000
<u>Target Reserves</u>					
Ending Balance	7,550,000	7,550,000	5,000,000	3,075,000	23,175,000
Target Reserve	6,950,000	6,450,000	5,000,000	1,700,000	20,100,000
Over / (Under)	600,000	1,100,000	-	1,375,000	3,075,000
Target Achieved	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 FY27 to support cash flow through January 2027
5 - Repair, Replace Upgrade Reserves	60% of projected Fund 5 expenditures for following 5 years (FY27-FY31)
6 - Emergency Contingency Reserves	Board determined at \$5,000,000
4 - Capacity Reserves	60% of projected Fund 4 expenditures for following 5 years (FY27-FY31)

Appendix A
TRUCKEE SANITARY DISTRICT
FUND 1 - GENERAL FUND - FY 2026
Budgeted Expenditures by Category & Department

Account	Description	Department						Total
		1000 Operations & Maintenance	1300 Buildings & Grounds	2000 Elec & Mech Maintenance	4000 Engineering & Inspections	5000 Fleet & Equipment	6000 Administration	
EXPENDITURES								
Salaries & Wages								5,255,100
40100	Salaries & Wages	1,830,900	75,700	412,400	1,044,000	130,500	1,623,900	5,117,400
40110	Compensated Absences	35,500	1,500	7,300	20,600	2,600	32,200	99,700
40105	Directors' Wages	-	-	-	-	-	38,000	38,000
Pension Benefits								1,462,500
40300	Retirement Contrib-EE Classic	59,500	-	10,000	54,500	-	-	124,000
40301	Retirement Contrib-ER Classic	113,700	-	19,200	104,200	-	-	237,100
40302	Retirement Contrib-ER Pepra	86,800	5,900	19,700	31,600	10,200	113,700	267,900
40305	Retirement Contrib-ER UAL Classic	59,700	2,500	13,500	34,100	4,300	52,900	167,000
40306	Retirement Contrib-ER UAL Pepra	6,400	300	1,500	3,700	500	5,600	18,000
40307	Retirement Contrib-ER ADP Classic	-	-	-	-	-	-	-
40330	Retirement Contrib-Supp PEPRA 401(a)	44,500	3,600	9,000	14,700	6,700	70,000	148,500
40320	Retirement Contrib-CEPPT	178,900	7,400	40,300	102,000	12,800	158,600	500,000
Health & Other Benefits								1,511,100
40401	Med Ins Prem-EE/BOD	418,900	33,200	99,600	189,000	31,300	424,000	1,196,000
40402	Med Deduct Reimb-EE/BOD	33,000	2,000	6,000	16,000	2,300	36,000	95,300
40403	Med Out-of-Pocket-EE/BOD	5,800	400	1,100	2,800	300	6,500	16,900
40404	Dental Ins Prem-EE/BOD	25,400	2,200	6,700	12,300	2,600	24,100	73,300
40405	Vision Exam Reimb-EE/BOD	13,600	800	2,500	6,600	1,000	14,800	39,300
40420	Life Ins Prem-Active EE	10,400	700	2,600	4,600	800	7,800	26,900
40440	Safety & Wellness Incentive Program-EE/BOD	-	-	-	-	-	35,000	35,000
40445	Physicals, Vaccines, DTAP	-	-	-	-	-	4,300	4,300
40610	Vehicle Allowances	-	-	-	3,200	-	19,700	22,900
40430	Directors' 457 Deferred Comp	-	-	-	-	-	1,200	1,200
Payroll Burden								462,700
40200	Social Security Tax	113,000	4,700	25,600	61,400	8,100	90,700	303,500
40210	Medicare Tax	26,500	1,100	6,000	15,100	1,900	23,100	73,700
40221	Workers' Compensation Insurance	55,700	2,300	12,500	6,800	4,000	4,200	85,500
Retiree Health/OPEB								360,000
40500	OPEB/CERBT Contributions/(Distributions)	(85,900)	(3,600)	(19,300)	(49,000)	(6,100)	(76,100)	(240,000)
40501	Med Ins Prem-Retired Empl/Dir	214,700	8,900	48,400	122,400	15,300	190,300	600,000
Outside Services								450,000
42050	Outside Services-General	40,000	20,000	20,000	230,000	-	140,000	450,000
Repairs & Maintenance								365,000
43020	Repairs & Maintenance (R&M)	180,000	5,000	110,000	-	65,000	5,000	365,000
Supplies - Operating & Safety								134,500
42010	Operating Supplies/Equip/Furniture	50,000	15,000	15,000	2,500	22,000	30,000	134,500
Uniforms, Linen & Safety Boots								34,200
40615	Uniform Allowance	-	-	-	-	-	-	-
42030	Uniforms	25,000	500	1,500	1,200	500	1,500	30,200
42040	Linen Service	-	-	-	-	4,000	-	4,000
Utilities & Phone Services								248,300
44010	Electricity & Water	-	1,500	105,000	-	-	-	106,500
44020	Natural Gas	-	55,000	-	-	-	-	55,000
44030	Solid Waste Disposal	-	10,000	-	-	-	-	10,000
44040	Wastewater Treatment Fees	-	14,500	-	-	-	-	14,500
44050	Propane	-	-	5,000	-	-	-	5,000
44060	Mobile Phones/Data Plns/Pagers	1,500	200	-	10,000	-	2,000	13,700
44070	Telephone Expense	-	-	15,000	-	-	20,000	35,000
44080	Internet Service	-	-	1,100	-	-	7,500	8,600
Fuel Expense								66,000
42000	Fuel Expense-Unleaded & Diesel	50,000	-	13,000	3,000	-	-	66,000
Environmental Permits & Fees								38,000
42060	Environmental Permits & Fees	15,000	2,000	20,000	-	1,000	-	38,000
Prof Devel, EE Engagement, Public Outreach & Ed., Innovation/R&D								244,700
41090	Professional Development	15,000	300	10,000	30,000	1,300	105,000	161,600
41120	Employee Engagement	5,000	100	2,000	1,000	-	30,000	38,100
41125	Public Education & Outreach	-	-	-	-	-	30,000	30,000
41130	Innovation and R&D	-	-	-	-	-	15,000	15,000
Info Tech & Office Expenses								225,000
41030	Computer Hardware Expense	-	-	-	40,000	-	-	40,000
41020	Software Expense	-	-	-	185,000	-	-	185,000
41010	Office Supplies	-	-	-	-	-	-	-
Liability Insurance								345,000
41000	General Liability Insurance	-	-	-	-	-	345,000	345,000
Legal Fees								100,000
41060	Legal Fees	-	-	-	-	-	100,000	100,000
Sewer Svc Billing Fees from Counties								12,000
41070	Billing Expense	-	-	-	-	-	12,000	12,000
LAFCO Expenses								14,000
41150	LAFCO Expenses	-	-	-	-	-	14,000	14,000
Dues, Subscriptions & Memberships								49,500
41040	Dues/Subscriptions/Memberships	10,000	200	2,000	2,000	300	35,000	49,500
Printing & Publications								20,000
41050	Printing & Publication Expense	-	-	-	-	-	20,000	20,000
Misc-Current YR								2,400
41080	Bank Charges	-	-	-	-	-	200	200
45000	Other Expense	1,400	-	200	400	-	200	2,200
TOTAL EXPENDITURES		3,639,900	273,900	1,044,400	2,305,700	323,200	3,812,900	11,400,000

**APPENDIX B
TABLE 1**

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

REVENUE ASSUMPTIONS

User Fees		No Increases FY26 - FY35
User Fees		4.50% Increase FY36 - FY40
User Fees		No Increases FY41 - FY45
Property Tax	% Year over Year	3.00%
Users (# of EDUs)	% Year over Year	1.00%
Interest Earned	ROI	2.50%

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 FY31, then 4% Thereafter	
Retirement - Normal Costs	Based on CalPERS Valuation Rpt Percentages	
Retirement - UAL	Based on \$0.5M CEPPT Contribution for FY26, at \$600,000 for anticipated CalPERS assumption change and CalPERS FY24 Investment Losses	
O & M	% Year over Year	3.00%
Capital Expenditures	% Completed	100.00%

RESERVE FUND POLICY

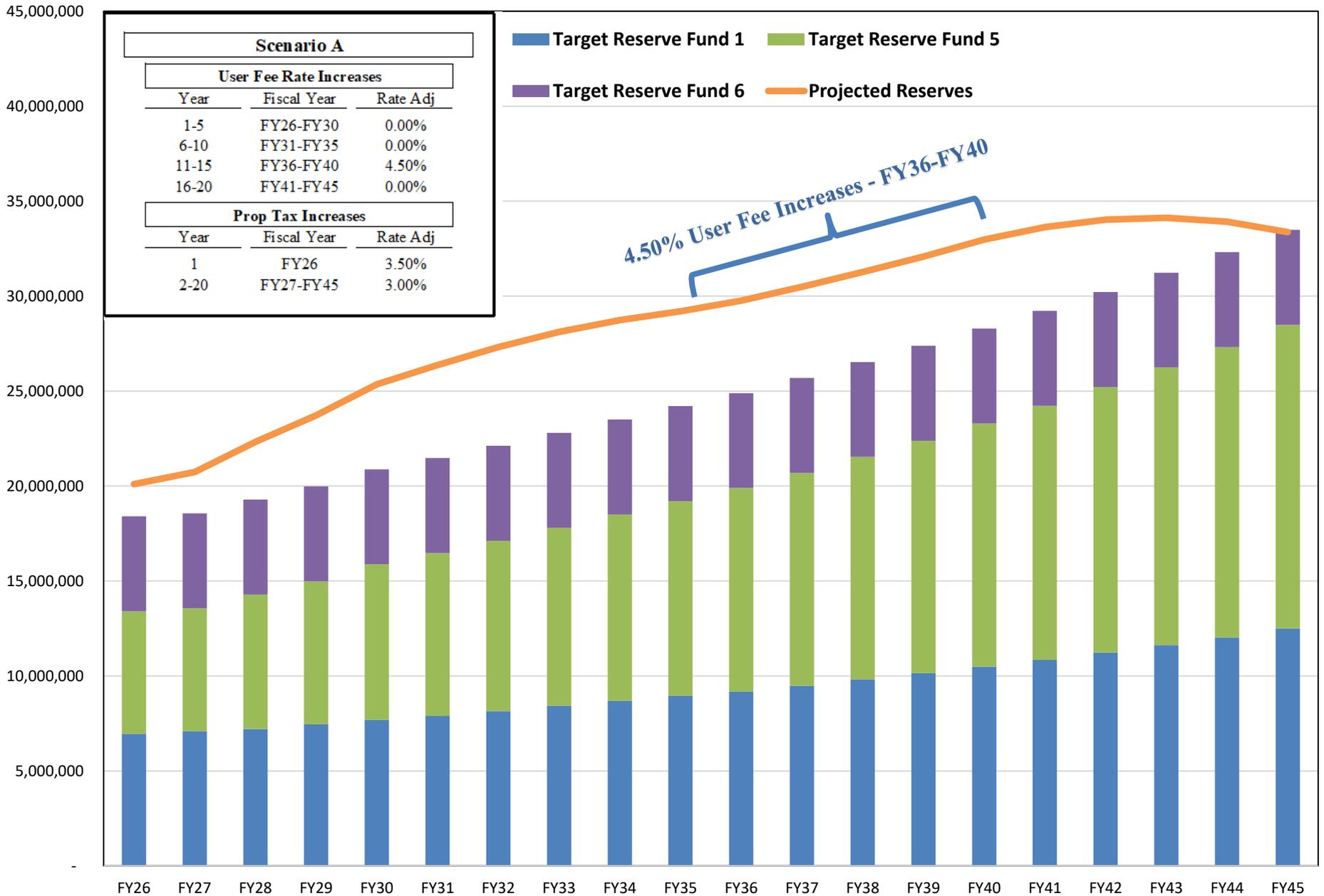
Fund 1 Target	60% of Operating Expenses
Fund 5 Target	60% of 5-year rolling Fund 5 Expenses
Fund 6 Target	\$5,000,000

TRUCKEE SANITARY DISTRICT
20 YEAR FORECAST

FUND	BUDGET	PROJECTED	Forecast																				
	FY 25	ACTUALS	BUDGET																				
		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	FY 44	FY 45	
			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	6,775,000	6,900,000	7,550,000	7,550,000	7,080,000	7,200,000	7,440,000	7,670,000	7,900,000	8,150,000	8,420,000	8,690,000	8,940,000	9,160,000	9,480,000	9,810,000	10,130,000	10,480,000	10,850,000	11,220,000	11,620,000	12,020,000	
Revenue												101.00%	105.57%										
User Fees	4,525,000	4,535,000	4,580,000	4,630,000	4,680,000	4,730,000	4,780,000	4,830,000	4,880,000	4,930,000	4,980,000	5,030,000	5,310,000	5,600,000	5,910,000	6,240,000	6,590,000	6,660,000	6,730,000	6,800,000	6,870,000	6,940,000	
Fees for Services	100,000	100,000	100,000	101,000	102,000	103,000	104,000	105,000	106,000	107,000	108,000	109,000	110,000	111,000	112,000	113,000	114,000	115,000	116,000	117,000	118,000	119,000	
Tax Revenue	8,750,000	8,750,000	9,060,000	9,330,000	9,610,000	9,900,000	10,200,000	10,510,000	10,830,000	11,150,000	11,480,000	11,820,000	12,170,000	12,540,000	12,920,000	13,310,000	13,710,000	14,120,000	14,540,000	14,980,000	15,430,000	15,890,000	
Interest Earned	425,000	500,000	430,000	314,000	302,000	305,000	311,000	317,000	323,000	329,000	336,000	342,000	349,000	354,000	362,000	370,000	378,000	387,000	396,000	406,000	416,000	426,000	
Other	200,000	115,000	230,000	200,000	206,000	212,000	218,000	225,000	232,000	239,000	246,000	253,000	261,000	269,000	277,000	285,000	294,000	303,000	312,000	321,000	331,000	341,000	
Interest Earned & Other	625,000	615,000	660,000	514,000	508,000	517,000	529,000	542,000	555,000	568,000	582,000	595,000	610,000	623,000	639,000	655,000	672,000	690,000	708,000	727,000	747,000	767,000	
Total Revenues	14,000,000	14,000,000	14,400,000	14,575,000	14,900,000	15,250,000	15,613,000	15,987,000	16,371,000	16,755,000	17,150,000	17,554,000	18,200,000	18,874,000	19,581,000	20,318,000	21,086,000	21,585,000	22,094,000	22,624,000	23,165,000	23,716,000	
Expenditures																							
Classic Salaries excl OT/Cashouts/Safety	(1,616,000)	(1,608,000)	(1,431,000)	(1,477,000)	(1,258,000)	(1,050,000)	(1,082,000)	(942,000)	(542,000)	(404,000)	(417,000)	(286,000)	(147,000)	(152,000)	(156,000)	(161,000)	-	-	-	-	-	-	
Pepra Salaries excl OT/Cashouts/Seasonal Wages	(3,198,000)	(2,792,000)	(3,553,500)	(3,914,000)	(4,270,000)	(4,528,000)	(4,664,000)	(4,977,000)	(5,554,000)	(5,874,000)	(6,051,000)	(6,375,000)	(6,713,000)	(6,915,000)	(7,122,000)	(7,337,000)	(7,722,000)	(7,954,000)	(8,192,000)	(8,438,000)	(8,691,000)	(8,952,000)	
BOD Salaries	(37,200)	(42,700)	(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)	(64,000)	
OT/Cashouts/Seasonal Wages/Safety	(223,700)	(461,300)	(132,900)	(200,000)	(238,000)	(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	(2,014,500)	(1,452,300)	(2,073,500)	(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)	(4,988,000)	(5,237,000)	
Retirement Contrib-EE Classic	(139,600)	(138,900)	(124,000)	(128,000)	(109,000)	(91,000)	(93,000)	(81,000)	(47,000)	(35,000)	(36,000)	(25,000)	(13,000)	(13,000)	(13,000)	(14,000)	-	-	-	-	-	-	
Retirement Contrib-ER Classic	(276,800)	(263,600)	(237,100)	(244,000)	(208,000)	(174,000)	(179,000)	(156,000)	(90,000)	(67,000)	(69,000)	(47,000)	(24,000)	(25,000)	(26,000)	(27,000)	-	-	-	-	-	-	
Retirement Contrib-ER Pepra CalPERS	(247,300)	(219,700)	(267,900)	(301,000)	(329,000)	(349,000)	(359,000)	(383,000)	(428,000)	(452,000)	(466,000)	(491,000)	(517,000)	(532,000)	(548,000)	(565,000)	(595,000)	(612,000)	(631,000)	(650,000)	(669,000)	(689,000)	
Retirement Contrib-ER Pepra 401(a)	(118,800)	(113,100)	(148,500)	(157,000)	(171,000)	(181,000)	(187,000)	(199,000)	(222,000)	(235,000)	(242,000)	(255,000)	(269,000)	(277,000)	(285,000)	(293,000)	(309,000)	(318,000)	(328,000)	(338,000)	(348,000)	(358,000)	
Retirement Contrib-ER UAL Classic	(76,600)	(76,600)	(167,000)	(175,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	-	-	-	-	-	-	-	-	-	
Retirement Contrib-ER UAL Pepra	(8,400)	(8,400)	(18,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	-	-	-	-	-	-	-	-	-	
Retirement Contrib-ER ADP Classic	-	-	-	(1,500,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Retirement Contrib-CEPPT	(500,000)	(1,000,000)	(500,000)	1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Current Retiree Bills/Premiums	(440,000)	(495,300)	(600,000)	(561,000)	(586,000)	(622,000)	(618,000)	(630,000)	(668,000)	(683,000)	(682,000)	(709,000)	(737,000)	(766,000)	(797,000)	(829,000)	(862,000)	(896,000)	(932,000)	(969,000)	(1,008,000)	(1,048,000)	
CERBT Distributions/(Contributions)	175,000	(1,000,000)	240,000	194,000	211,000	238,000	225,000	228,000	257,000	262,000	251,000	275,000	343,000	361,000	381,000	402,000	423,000	445,000	469,000	493,000	519,000	546,000	
Operations & Maintenance	(2,343,100)	(1,746,100)	(2,348,600)	(2,348,600)	(2,369,000)	(2,440,000)	(2,513,000)	(2,588,000)	(2,666,000)	(2,746,000)	(2,828,000)	(2,913,000)	(3,000,000)	(3,090,000)	(3,183,000)	(3,278,000)	(3,376,000)	(3,477,000)	(3,581,000)	(3,688,000)	(3,799,000)	(3,913,000)	
Total Expenditures	(11,065,000)	(11,418,000)	(11,400,000)	(11,567,600)	(11,793,000)	(12,002,000)	(12,401,000)	(12,791,000)	(13,161,000)	(13,580,000)	(14,039,000)	(14,485,000)	(14,904,000)	(15,272,000)	(15,796,000)	(16,343,000)	(16,886,000)	(17,471,000)	(18,078,000)	(18,708,000)	(19,361,000)	(20,038,000)	
Cost Allocations (Funds 2, 4, 5, 6 & 10)	65,000	68,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Gain (Loss) in Fund Before Transfer	3,000,000	2,650,000	3,000,000	3,007,400	3,107,000	3,248,000	3,212,000	3,196,000	3,210,000	3,175,000	3,111,000	3,069,000	3,296,000	3,602,000	3,785,000	3,975,000	4,200,000	4,114,000	4,016,000	3,916,000	3,804,000	3,678,000	
Transfers (Fund 5 & Fund 6)	(3,190,000)	(2,000,000)	(3,000,000)	(3,477,400)	(2,987,000)	(3,008,000)	(2,982,000)	(2,966,000)	(2,960,000)	(2,905,000)	(2,841,000)	(2,819,000)	(3,076,000)	(3,282,000)	(3,455,000)	(3,655,000)	(3,850,000)	(3,744,000)	(3,646,000)	(3,516,000)	(3,404,000)	(3,198,000)	
Net Gain (Loss) in Fund After Transfer	(190,000)	650,000	-	(470,000)	120,000	240,000	230,000	230,000	250,000	270,000	270,000	250,000	220,000	320,000	330,000	320,000	350,000	370,000	370,000	400,000	400,000	480,000	
Ending Balance (Operating Reserve)	6,585,000	7,550,000	7,550,000	7,080,000	7,200,000	7,440,000	7,670,000	7,900,000	8,150,000	8,420,000	8,690,000	8,940,000	9,160,000	9,480,000	9,810,000	10,130,000	10,480,000	10,850,000	11,220,000	11,620,000	12,020,000	12,500,000	
60% of following FY Total Operating Expenditures		6,840,000	6,950,000	7,080,000	7,210,000	7,450,000	7,680,000	7,900,000	8,150,000	8,430,000	8,700,000	8,950,000	9,170,000	9,480,000	9,810,000	10,140,000	10,490,000	10,850,000	11,230,000	11,620,000	12,030,000	12,504,000	
BOARD DESIGNATED FUNDS																							
5-MAJOR IMPROVEMENTS RESERVE																							
Beginning Balance	6,073,000	6,475,000	6,900,000	7,550,000	8,656,200	10,124,600	11,280,700	12,689,700	13,472,900	14,159,700	14,688,700	15,046,900	15,262,100	15,599,700	16,011,700	16,457,000	16,953,400	17,497,200	17,778,600	17,799,100	17,500,100	16,901,600	
Revenues (Interest Income)	275,000	300,000	300,000	188,800	216,400	253,100	282,000	317,200	336,800	354,000	367,200	376,200	381,600	390,000	400,300	411,400	423,800	437,400	444,500	445,000	437,500	422,500	
Expenditures (Capital Projects)	(2,865,000)	(875,000)	(2,650,000)	(2,560,000)	(1,735,000)	(2,105,000)	(1,855,000)	(2,500,000)	(2,610,000)	(2,730,000)	(2,850,000)	(2,980,000)	(3,120,000)	(3,260,000)	(3,410,000)	(3,570,000)	(3,730,000)	(3,900,000)	(4,070,000)	(4,260,000)	(4,440,000)	(4,660,000)	
Transfers from Fund 1	2,810,000	1,000,000	3,000,000	3,477,400	2,987,000	3,008,000	2,982,000	2,966,000	2,960,000	2,905,000	2,841,000	2,819,000	3,076,000	3,282,000	3,455,000	3,655,000	3,850,000	3,744,000	3,646,000	3,516,000	3,404,000	3,198,000	
Net Gain (Loss) in Fund	220,000	425,000	650,000	1,106,200	1,468,400	1,156,100	1,409,000	783,200	686,800	529,000	358,200	215,200	337,600	412,000	445,300	496,400	543,800	581,400	20,500	(299,000)	(598,500)	(1,039,500)	
Preliminary Ending Balance	6,293,000	6,900,000	7,550,000	8,656,200	10,124,600	11,280,700	12,689,700	13,472,900	14,159,700	14,688,700	15,046,900	15,262,100	15,599,700	16,011,700	16,457,000	16,953,400	17,497,200	17,778,600	17,799,100	17,500,10			

APPENDIX B

TRUCKEE SANITARY DISTRICT 20 Year Reserve Fund Forecast



MEMORANDUM

DATE: June 10, 2025

TO: Sanna Schlosser, General Manager

FROM: Sarah Bergeron, District Engineer 

CC: Mark Wasley, Finance and Administrative Services Manager

SUBJECT: Martis Valley Interceptor (MVI) EXPENSE ALLOCATION FOR FY26

The purpose of this memorandum is to provide an expense allocation percentage for operating expenses allocable for operating and maintaining the MVI for FY26 (7/1/25-6/30/26).

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 expense allocable to the MVI for FY26, staff has estimated the fraction of infrastructure in the MVI to the District as a whole. A summary of this data can be seen in Table 1, below. It can be seen that MVI contains 1.21% of the District's assets. Therefore, it is deemed that 1.21% of the total operating expenses (TSD Departments 1000, 1300, 2000, 4000 and 5000) be allocable to MVI in FY26.

Table 1
Comparison of Sewer Facilities in MVI to District Totals

Parameter	District Totals	MVI Facilities	% in MVI
Number of Pipe Segments	4,600*	34	0.74
Length of Pipe Segments, ft	1,217,339*	9,493	0.78
Inch Diameter Mile	1556*	33	<u>2.12</u>
Average			1.21

*Number includes only "TSD Active" pipes.