



**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2022
ANNUAL BUDGET**



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

Adopted June 17, 2021

**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2022
ANNUAL BUDGET**

Board of Directors:

Nelson Van Gundy, President
Brian K. Smart, Vice President
Jerry Gilmore
Ron Sweet
Denny Anderson

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Blake R. Tresan, PE, General Manager
Raymond Brown, PE, Assistant General Manager/District Engineer
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**TRUCKEE SANITARY DISTRICT
BOARD OF DIRECTORS
RESOLUTION NO. 2021-108**

**A RESOLUTION ADOPTING THE OPERATING AND CAPITAL
BUDGET FOR FISCAL YEAR 2021-2022
FOR THE TRUCKEE SANITARY DISTRICT**

WHEREAS, the staff of the Truckee Sanitary District have developed a budget for fiscal year 2021-22; 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 2021-22; 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; 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 2021-2022.

PASSED AND ADOPTED by the Board of Directors of the Truckee Sanitary District at a regular meeting of the Board, held on the 17th day of June, 2021, by the following roll call vote:

AYES:	Anderson, Gilmore, Smart, Sweet, Van Gundy
NOES:	None
ABSENT:	None
ABSTAIN:	None



Nelson Van Gundy
President of the Board of Directors

ATTEST:



Blake R. Fresan
Board Secretary



MEMORANDUM

Date: June 17, 2021
To: Board of Directors
From: Blake R. Tresan, General Manager
Subject: FISCAL YEAR 2022 ANNUAL BUDGET



The purpose of this memorandum is to present the annual budget for the Truckee Sanitary District (“District”) for fiscal year 2022 (FY22). The budget lays out a financial map for the District for the period July 1, 2021 through June 30, 2022. The budget is broken up into two categories: operations and capital, and tracks changes in the five District reserve funds. This year’s budget was developed, consistent with previous years, with the goal of responsible fiscal 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, 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’s mission is to protect the public health and the environment while providing its customers the highest level of service consistent with the prudent management of public funds. The 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 11,898 residential units and approximately 564 commercial accounts as of June 30, 2020. 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 Board of Directors that sets all financial policies for the District including establishing 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.

FY21 Highlights

Before presenting the FY22 budget, it is worthwhile to highlight a few items in current FY21 that differed materially from the budget:

- Operating Revenue is projected to be \$0.16 million greater than FY21 budget, primarily due to higher than budgeted property tax distributions from Nevada and Placer County.
- Operating Expenditure are projected to be \$0.34 million less than FY21 budget before accounting for a CalPERS Additional Discretionary Payment (ADP) of \$2.25 million approved by the Board in April 2021. . The reduction in expenditures were in part due to lower than anticipated costs for activities restricted by the Covid-19 pandemic (e.g, travel, training, employee relations).
- The \$2.25 million ADP was funded from \$1.75 million in net revenues and an additional \$0.50 million coming from prior contributions and earnings in the District's California Employers Pension Prefunding Trust (CEPPT) account.
- The Board reviewed the District's Reserve Fund Policy in April 2021 with no recommended changes. The Reserve Fund Policy sets a 90% funded status target for the District's Pension and Retiree Health liabilities.
- The Board approved a General Fund transfer of \$0.17 million into the District's Major Capital Improvement Fund in April 2021, strengthening this Board-designated fund to pay for future capital improvements of the District.

FY22 Budget Highlights

FY22 Operating Budget

- Net operating revenues (revenues less expenditures) for FY22 are estimated to be \$1.50 million and \$1.65 million is projected to be transferred to Fund 5 to fund capital expenditures.
- Operating revenues for FY22 are budgeted at \$11.10 million (5.06% increase over FY21 projected actuals, 6.63% increase over FY21 budget).
 - User fee revenue is budgeted at \$ 4.25 million in FY22 (9.1% increase over FY21 projected actuals). The increase is due to a board approved 8.0% increase in user fee rates and an estimated 1.0% increase in the District's customer base. User fees represent 38.3% of total operating revenues.
 - Property tax revenue is budgeted at \$ 6.67 million for FY22 (4.0% increase over FY21 projected actuals). Property taxes represent 60.1% of total operating revenues.
- Operating expenses for FY22 are budgeted at \$9.66 million (a 5.93% decrease from FY21 projected actuals, 3.27% increase over FY20 budget), including:
 - \$4.55 million in salaries and wages;
 - \$3.07 million in benefits and payroll burden;
 - \$0.30 million in other post-employment benefits (OPEB);
 - \$1.75 million in other operating costs.
- Capital expenditures in FY22 are estimated to be \$1.74 million, including:
 - \$0.19 million in capacity facilities expansion;
 - \$0.54 million in collections system improvements;
 - \$0.56 million in vehicle purchases;
 - \$0.45 million in other capital projects.
- Total District reserves in FY22 are estimated to decrease by approximately \$0.03 million beginning the year at \$15.25 million and ending the year at \$15.22 million.

FY22 Budget Details

A detailed description of the annual budget for FY22 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 FY22, staff anticipates an increase in Fund 1 operating revenues of approximately \$0.54 million and a decrease of \$0.61 million in expenditures over the current year projected actuals (Table 2).

Operating Revenues

Overall, operating revenues are budgeted at \$11.10 million (5.06% increase from FY21 projected actuals, 6.63% increase from FY21 budget) – an increase of \$0.54 million over FY21 projected actuals. This increase in revenue is primarily attributable to increased user fees and property taxes resulting from residential and commercial development and rising real estate prices, and increased user fee rates. For FY22, a board-approved 8.0% increase in user fee rates will be enacted effective July 1, 2021 and along with an increase in our customer base, the anticipated result is a roughly 9.1% increase in user fee revenue over FY21 projected actuals. This year represents the final year of a five-year rate increase period the District initiated in 2017 after more than 30 years without any change in user fees.

Staff is budgeting a 4.0% increase in property tax revenues over FY21 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 almost 6.5% per year. Based on historic trends, additional development in the Truckee Community, housing inventory turn-over and a conversation with the Nevada County CFO, staff supports using the 4.0% increase as a realistic and conservative assumption for the FY22 budget.

Operating Expenditures

Operating expenses for FY22 are budgeted at \$9.66 million (5.93% decrease from FY21 projected actuals, 3.27% increase from FY21 budget). The increase (FY22 budget vs FY21 budget), is mostly attributable to the 2020 wage and compensation market adjustment implemented on January 1, 2021, a 2.5% cost of living (COLA) salary increase approved by the Board in May 2021, and increased payroll related burden costs.

Staffing: According to the staffing plan, a total of 40.4 full-time-equivalents (FTEs) will be employed by the District during the coming year (Table 3). This is an increase of 0.4 FTE from FY21. The staffing increase includes reduction of one field worker due to retirement, the addition of one full-time administrative position that was unfilled during FY21 and two seasonal field maintenance workers during the summer months. The approved 2.5% cost of living adjustment (COLA) place holder has been incorporated in the 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 \$ 3.10 million in FY22 (28.3% decrease from FY 21 projected actuals, 1.6% decrease from FY21 budget). The discrepancy in comparison to FY21 projected actuals is due to a one-time Board approved FY21 \$2.25 million additional discretionary payment (ADP) towards CalPERS

Pension unfunded accrued liability (UAL). Of the \$2.25 million payment, \$1.25 million was unbudgeted for FY21.

Pension Contributions: For FY22, the District is anticipated to make \$1.47 million in pension contributions to CalPERS. These contributions include \$474,000 in employer normal costs, \$196,000 in Classic employee normal costs paid for by the District, \$303,000 in required payments against the District's UAL, and a \$500,000 discretionary contribution to the District's CEPPT account to prefund future payments towards the UAL. 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 7.0%). Excluding CEPPT and FY21 ADP contributions, the District's normal costs and required UALs to CalPERS in FY22 are anticipated to decrease \$76,000 over FY21 projected actuals mostly due to the increased proportion of the District's staff subject to the Public Employees' Pension Reform Act (PEPRA). PEPRA/Classic staff count is anticipated to be 22/18 respectively for FY22.

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 2022, medical health insurance premiums are anticipated to increase by 10% (January – June). The overall health insurance costs for the District are estimated to be \$1.0 million in FY22, an increase of \$82,000 over projected FY21 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 \$395,000 in FY22, a slight increase of \$4,000 over FY21 projected actuals.

Dental & Vision Coverage: The District provides dental insurance for its employees. The cost of the premiums for dental insurance is flat as the dental provider has not increased premiums for FY22. Vision coverage is provided through a District sponsored reimbursement program. For FY22, vision costs are anticipated to have a slight increase from FY21 actuals.

Retiree Benefits: District retirees are eligible for health insurance benefits through CalPERS in accordance with a vesting program. Upon retirement, employees that work for the District for 10 years 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 FY22, the District anticipates expenditures for health insurance premiums for retirees to be \$265,000, an 11.6% increase over FY21 projected actuals, primarily driven by anticipated increases in health insurance premium rates, as well as a few additional retirees. For FY22, the District anticipates contributing \$35,000 to the CERBT. As of the June 30, 2020 valuation report, the OPEB liability is 85.0% funded with a reserve fund policy goal of being 90% funded. In future years, the District anticipates taking 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 funding status of the other post-employment benefits and the CERBT.

Outside Services: Staff anticipates a \$21,000 increase in Outside Service costs in FY22 over the FY21 budget. Services to be provided in this category can be seen in Table 4 and include IT

consulting services, actuarial services, the annual financial audit, air and seal testing, utility billing consulting services, and other general engineering services.

IT Hardware/Software: Information technology costs for both hardware and software are anticipated to increase in FY22 by approximately \$67,000 over FY21 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 desktop work stations/laptops and mobile devices (Table 5).

Staff Training/Travel: Staff training/travel costs (Table 6) are projected to be approximately \$7,500 higher than the FY21 budget. Local and off-site trainings, conferences, and workshops are budgeted for operations, engineering, and administrative staff in FY22.

Net Operating Revenues

Overall, operating revenues are budgeted to exceed expenditures by \$1.50 million for FY22. A total of \$1.65 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 7 months of cash reserves are 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 FY22, connection fees are anticipated to generate \$0.24 million in revenue. Interest earnings are anticipated to generate approximately \$0.03 million. The majority of the District's cash reserves are kept in LAIF, yielding slightly less than 0.5% interest over the last year, with a 0.5% interest rate assumption for FY22. A total of \$1.65 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 \$1.74 million in capital expenditures for FY22 and \$9.94 million over the next five years (Tables 7 and 8). Significant capital expenditures projected for FY22 include \$562,000 in vehicle purchases, \$185,000 in lift station capacity upgrades, \$150,000 in pipeline rehabilitation, and \$115,000 to update the District's permit and utility billing software. 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 Tables 7-10.

Fund Balances

The District projects it will start FY22 with approximately \$ 15.06 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 \$15.03 million in cash reserves, a decrease of approximately \$0.03 million during FY22. 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 2022. The FY22 budget indicates that all funds will meet or exceed target balances throughout FY22.

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 Policy, the District targets starting each fiscal year with sufficient monies in Fund 1 to fund for 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 completed hydraulic model and a connection fee study in FY 2021 resulting in a change in the connection fee which is anticipated to be adopted in the fall of 2022. The District's Reserve Policy sets a target minimum balance for Fund 4 at 60% of the cumulative expected expenditures over the subsequent 5 years.

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 reimbursed from Fund 10. The method for determining this allocation can be seen in Appendix B. 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 blueprint 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 including in Appendix B as is a chart depicting target and projected reserves. Trends to highlight include:

- Fund 1 – General Fund (unrestricted)
 - 8.00% anticipated annual user fee increase for FY22; Board approved February 18, 2021;
 - 7.00% annual user fee increase FY30 – FY34;
 - 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 – 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 FY22 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 capital and operating expenditures in the upcoming year are anticipated to exceed revenues by \$0.03 million, mostly driven by capital expenditures of \$1.74 million; this outcome results in a 0.20% reduction in cash reserves from \$15.06 to \$15.03 million. Overall, the District's financial position remains stable, with no debt (other than pension and retiree health benefit liabilities), and cash reserves that meet or exceed the targets set forth in the District's Reserve 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 budget-related items.

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY2022

FUND	AMOUNT
UNRESTRICTED FUNDS	
Fund 1 - General Fund	
REVENUE	
User Fees	4,250,000
Fees for Services	60,000
Tax Revenue - Ad Valorem	6,670,000
Interest Earned	37,000
Rents & Leases	3,000
Other Income	80,000
TOTAL REVENUE	11,100,000
EXPENDITURES	
Salaries & Wages	4,545,300
Pension Benefits	1,472,300
Health & Other Benefits	1,198,700
Payroll Burden	394,500
Retiree Health/OPEB	303,500
Liability Insurance	163,000
Repairs & Maintenance	350,000
Utilities & Phone Services	164,500
Ad Valorem & Sewer Svc Billing Fees to Counties	150,000
Operating Supplies	94,000
Fuel Expense - Unleaded & Diesel	62,000
Outside Services	224,500
Legal Fees	40,000
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	153,500
Info Tech & Office Expenses	209,200
Dues, Subscriptions & Memberships	41,400
Uniforms, Linen & Safety Boots	25,700
Environmental Permits & Fees	28,700
LAFCO Expenses	8,000
Printing & Publications	25,000
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	6,200
EXPENDITURE SUBTOTAL	9,660,000
<i>Cost Allocations to Funds 4, 5 & 10</i>	<i>60,000</i>
TOTAL EXPENDITURES	9,600,000
GENERAL FUND NET INCOME (LOSS)	1,500,000
<i>Transfer to Fund 5</i>	<i>(1,650,000)</i>
GENERAL FUND NET INCREASE (DECREASE)	(150,000)

continued

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY2022

FUND	AMOUNT
BOARD DESIGNATED FUNDS	
Fund 5 - Major Improvement Reserve Fund	
REVENUE	
Interest	20,000
EXPENDITURES	(1,556,000)
Transfers from Fund 1	1,650,000
FUND 5 NET INCOME (LOSS)	114,000
Fund 6 - Emergency Contingency Reserve Fund	
REVENUE	-
EXPENDITURES	-
Transfers	-
FUND 6 NET INCOME (LOSS)	-
RESTRICTED FUNDS	
Fund 4 - Capital Reserve Fund	
REVENUE	
Connection Fees	240,000
Interest	10,000
TOTAL REVENUE	250,000
EXPENDITURES	(185,000)
Transfers	-
FUND 4 NET INCOME (LOSS)	65,000
Fund 10 - SAD 5 Trust Fund	
REVENUE	
Interest	1,000
EXPENDITURES	(60,000)
Transfers	-
FUND 10 NET INCOME (LOSS)	(59,000)
TOTAL REVENUE - ALL FUNDS	11,371,000
TOTAL EXPENDITURE - ALL FUNDS	(11,401,000)
NET INCOME (LOSS) - ALL FUNDS	(30,000)

APPROVED BY BOARD OF DIRECTORS AT THEIR REGULAR MEETING JUNE 17, 2021

Blake R. Tresan, Secretary to the Board

Table 2
TRUCKEE SANITARY DISTRICT
FUND 1 - OPERATING BUDGET - FY 2022
COMPARISON to FY21 Budget and Projected Actuals

Fund 1 - General Fund	Budget FY 2021	Projected FY 2021	Budget FY 2022	FY22 Budget to FY21 Budget		FY22 Budget to FY21 Projected	
				Fav/(Unfav) \$	Fav/(Unfav) %	Fav/(Unfav) \$	Fav/(Unfav) %
REVENUE							
User Fees	3,900,000	3,895,000	4,250,000	350,000	9.0%	355,000	9.1%
Fees for Services	60,000	140,000	60,000	-	0.0%	(80,000)	-57.1%
Tax Revenue - Ad Valorem	6,290,000	6,413,000	6,670,000	380,000	6.0%	257,000	4.0%
Interest Earned	100,000	45,000	37,000	(63,000)	-63.0%	(8,000)	-17.8%
Rents & Leases	5,000	2,000	3,000	(2,000)	-40.0%	1,000	50.0%
Other Income	55,000	70,000	80,000	25,000	45.5%	10,000	14.3%
TOTAL REVENUE	10,410,000	10,565,000	11,100,000	690,000	6.63%	535,000	5.06%
EXPENDITURES							
Salaries & Wages	4,312,500	4,289,200	4,545,300	(232,800)	-5.4%	(256,100)	-5.97%
Pension Benefits	1,542,100	2,798,400	1,472,300	69,800	4.5%	1,326,100	47.4%
Health & Other Benefits	1,192,400	1,086,000	1,198,700	(6,300)	-0.5%	(112,700)	-10.4%
Payroll Burden	380,800	390,500	394,500	(13,700)	-3.6%	(4,000)	-1.0%
Retiree Health/OPEB	321,000	318,700	303,500	17,500	5.5%	15,200	4.8%
Liability Insurance	150,000	148,400	163,000	(13,000)	-8.7%	(14,600)	-9.8%
Repairs & Maintenance	315,000	300,700	350,000	(35,000)	-11.1%	(49,300)	-16.4%
Utilities & Phone Services	159,700	162,000	164,500	(4,800)	-3.0%	(2,500)	-1.5%
Ad Valorem & Sewer Svc Billing Fees to Counties	135,000	142,000	150,000	(15,000)	-11.1%	(8,000)	-5.6%
Operating Supplies	96,500	85,200	94,000	2,500	2.6%	(8,800)	-10.3%
Fuel Expense - Unleaded & Diesel	64,000	57,600	62,000	2,000	3.1%	(4,400)	-7.6%
Outside Services	203,500	171,000	224,500	(21,000)	-10.3%	(53,500)	-31.3%
Legal Fees	40,000	40,000	40,000	-	0.0%	-	0.0%
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	146,000	31,600	153,500	(7,500)	-5.1%	(121,900)	-385.8%
Info Tech & Office Expenses	174,400	142,500	209,200	(34,800)	-20.0%	(66,700)	-46.8%
Dues, Subscriptions & Memberships	39,900	37,500	41,400	(1,500)	-3.8%	(3,900)	-10.4%
Uniforms, Linen & Safety Boots	18,100	13,200	25,700	(7,600)	-42.0%	(12,500)	-94.7%
Environmental Permits & Fees	26,800	29,600	28,700	(1,900)	-7.1%	900	3.0%
LAFCO Expenses	8,000	8,200	8,000	-	0.0%	200	2.4%
Printing & Publications	20,000	12,000	25,000	(5,000)	-25.0%	(13,000)	-108.3%
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	8,700	4,700	6,200	2,500	28.7%	(1,500)	-31.9%
EXPENDITURE SUBTOTAL	9,354,400	10,269,000	9,660,000	(305,600)	-3.27%	609,000	5.93%
<i>Fund Transfers 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 1.82% of Dept 1000</i>	(62,000)	(69,000)	(60,000)				
<i>Total Cost Allocations</i>	(62,000)	(69,000)	(60,000)				
TOTAL EXPENDITURES	9,292,400	10,200,000	9,600,000				
GENERAL FUND NET INCOME (LOSS)	1,117,600	365,000	1,500,000				
<i>Total Income (Loss) Transfer to Fund 5</i>	(917,600)	(165,000)	(1,650,000)				
GENERAL FUND NET INCREASE (DECREASE)	200,000	200,000	(150,000)				

Table 3
Truckee Sanitary District
Staffing Plan FY2022

DEPARTMENT	Actual				Projected FY 21	Budget FY 22
	FY 17	FY 18	FY 19	FY 20		
1000 - Operations & Maintenance	16.00	18.25	18.00	17.00	18.00	17.40
1300 - Building & Grounds	1.00	1.00	1.00	1.00	1.00	1.00
2000 - Lift Stations	3.00	3.00	3.00	3.00	3.00	3.00
4000 - Engineering/Inspections	6.75	7.00	7.08	7.00	7.00	7.00
5000 - Fleet & Equipment	1.00	1.00	1.00	1.00	1.00	1.00
6000 - Administration	11.00	10.00	11.00	11.50	10.00	11.00
TOTAL FTE	38.75	40.25	41.08	40.50	40.00	40.40

Projected FY21

Ops includes 1 CSMW2 that will retire effective 5/4/21

Budget FY22

Ops includes 2 temp laborers @ .20 FTE each for spring 2022

Table 4
Truckee Sanitary District
Fund 1 - General Fund - FY 2022
Outside Services Budget Detail

Department	Description (GL 42050)	Amount
1000-Operations & Maintenance		
	Misc Testing/Compaction	1,000
	Safety Consulting	5,000
	CHH Auditometric Testing	1,000
	Air test and Seal	8,500
		15,500
1300-Buildings & Grounds		
	CA Security Alarm	3,000
	Fire Protection - Overhead Fire	3,000
	Fuel Pump Calibration	1,000
	Window Cleaning	3,000
	Contingency	5,000
		15,000
2000-Lift Stations		
	Sierra Controls/SCADA Telem. Assistance	10,000
	Gasboy	5,000
	Cashman Equipment	13,000
	HVAC Boiler Service	3,000
		31,000
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
	Flex-Plan/Navia Benefits	10,000
	Wellness Navia Fees	2,500
	HR/Admin Assistance - HRC	7,000
	Mgt/Supervisory Devt - CEO	15,000
	Records Retention	5,000
	Truckee River Watershed Council - Weed Warrior	4,000
	Actuarial Services/TCS	10,000
	Utility Billing Consulting	15,000
	Audit - James Marta & Co	33,000
	Contingency	3,000
		110,000
Total Outside Services		224,500

Table 5
Truckee Sanitary District
Fund 1 - General Fund - FY 2022
Computer Hardware, Software & IT Support Budget Detail

Department	Description (GL 41020 & 41030)	Amount
Hardware upgrade/purchase - 01-4000-41030		
	5 Laptop Computers	12,000
	2 Computer monitors	1,300
	3 Mobile Tablets/Accessories	2,400
	UPS replacements	500
	Contingency	20,000
		36,200
Total Hardware		
Software Expense - 01-4000-41020		
	Annual Maintenance	
	ClearSCADA	7,000
	Citrix Server (SCADA)	1,200
	ESRI	9,000
	Granite	6,000
	Lucity	18,000
	InfoSewer	1,500
	ParcelQuest	5,500
	PC TopKat-Gasboy	700
	Rockwell Engineering	5,000
	Springbrook	16,500
	Alpha Group (website design & hosting)	2,500
	Civic Clerk	7,750
	MSDS Online	3,300
	AVG Cloucare	2,050
	Trackstar	5,000
	Dell Sonicwall	500
		91,500
	Software upgrade/purchase	
	Granite Net Scheduler	3,000
	Lucity Mobile	4,500
	4 Adobe Acrobat Pro	7,500
	Microsoft Office 365	7,500
	FWI Board Agenda Posting Software	3,000
	CivicPlus (digital Forms Solution)	5,000
	Cybersecurity software	5,000
	SQL Server (software) upgrade	12,000
	Windows User CALs	4,000
	Contingency	10,000
		61,500
		153,000
Total Software & IT Support		
Total Hardware, Software & IT Support Expense		
		189,200

Table 6
Truckee Sanitary District
Fund 1 - General Fund - FY 2022
Travel & Training Budget Detail

Department	Description (GL 41090)	Amount
1000-Operations & Maintenance		
	CWEA Annual Conference	4,000
	CWEA Northern Regional Conf	3,000
	CWEA Safety Day	1,000
	CWEA Awards Banquet	500
	CWEA Cert Prep Classes	500
	NASSCO Training - Every 3 Years	10,000
	Competent Trench Training	300
	Tri-State Reg Training Conf	3,000
	AC Pipe Training	4,200
	Meetings & Travel	1,000
		27,500
1300-Building & Grounds		
	CWEA Safety Day	100
	CWEA Awards Banquet	100
		200
2000-Lift Stations		
	CWEA Annual Conference	-
	CWEA Safety Day	-
	Electrical Diagnosis Class	3,000
	Tri-State Conference	-
	Meetings & Travel	1,000
	Telepace Training	-
		4,000
4000-Engineering		
	WEFTEC Annual Conference	4,000
	CSDA Conference	2,000
	Lucity Annual Conference and Training	-
	IT Training for Admin Tech	2,000
	ESRI User Conference	-
		8,000
5000-Equipment & Fleet		
	Workshop safety class	200
	Meetings & Travel	300
		500

continued

Table 6
Truckee Sanitary District
Fund 1 - General Fund - FY 2022
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	5,000
	NTT Leadership	1,000
	Various on-site training & webinars	3,000
	SHRM Conference	3,000
	CalPELRA	2,000
	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
	WEFTEC - Chicago	2,500
	APA Payroll Conference/Certification	5,000
	Meetings & Travel	4,000
		61,500
Total		101,700

Table 7
Truckee Sanitary District
Capital Budget - FY22 - 5 Year Plan (Preliminary)
Fund 4 - Capital Facilities (Capacity)

Capital Project	Preliminary Budget					Total
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
<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	90,000	50,000	550,000
<u>Lift Stations</u>						
Lahontan Lift Station Upgrade for Capacity - LAH1	185,000	-	-	-	-	185,000
Lahontan Lift Station Upgrade for Capacity - LAH3	-	250,000	-	-	-	250,000
Lahontan Lift Station Upgrade for Capacity - LAH3-FM	-	-	370,000	-	-	370,000
Lahontan Lift Station Upgrade for Capacity - LAH4	-	-	-	185,000	-	185,000
Lahontan Lift Station Upgrade for Capacity - LAH5	-	-	-	-	185,000	185,000
Lift Station 1B Upgrade Capacity	-	275,000	-	-	-	275,000
Total Lift Stations	185,000	525,000	370,000	185,000	185,000	1,450,000
<u>Fleet</u>						
2,000 Gal Septic Hauling Truck - O&M/Construction	-	-	-	-	300,000	300,000
Total Fleet	-	-	-	-	300,000	300,000
<u>Facilities</u>						
Administration Building Expansion Design	-	-	-	100,000	100,000	200,000
Total Facilities	-	-	-	100,000	100,000	200,000
TOTAL CAPITAL EXPENDITURES	185,000	695,000	610,000	375,000	635,000	2,500,000

Table 8
Truckee Sanitary District
Capital Budget - FY22 - 5 Year Plan (Preliminary)
Fund 5 - Major Capital Improvements

Capital Project	Preliminary Budget					Total
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Collection System Infrastructure Projects						
Pipeline Rehabilitation	150,000	-	-	150,000	-	300,000
Alder Creek Force Main Check Valve Upgrade	100,000	-	-	-	-	100,000
Schussing Pump Replacement	60,000	-	-	-	-	60,000
TSD Manhole Rehabilitation Projects	50,000	50,000	-	50,000	-	150,000
Alder Creek Electrical Retrofit	50,000	-	-	-	-	50,000
Donner Lake Sub Station Plumbing Replacement	40,000	-	-	40,000	-	80,000
Town Paving Project - Manhole Adjustments	30,000	60,000	60,000	60,000	60,000	270,000
Flow Meter Upgrades (Schaffer's Mill Road)	25,000	-	-	-	-	25,000
Lift Station Electrical Upgrade	20,000	120,000	50,000	50,000	50,000	290,000
Drywell Cathodic Protection Coating	19,000	16,000	16,000	16,000	16,000	83,000
Drywell Cathodic Protection Upgrade	-	-	10,000	-	-	10,000
Foxmead/River Park LS Upgrade	-	250,000	-	-	-	250,000
Install/Replace/Upgrade existing long laterals T.D.	-	100,000	-	100,000	-	200,000
Easement Acquisitions	-	-	75,000	-	75,000	150,000
Alder Creek LS Emergency Overflow Tank Expansion	-	-	60,000	-	-	60,000
Conversion of Telemetry phone lines to Radio	-	-	60,000	-	-	60,000
Donner Creek Bypass System	-	-	-	250,000	250,000	500,000
Collection System Infrastructure Projects Subtotal	544,000	596,000	331,000	716,000	451,000	2,638,000
Other Capital Projects						
Engineering						
Hand Held/Truck Radio Upgrade	100,000	-	-	-	-	100,000
High Bay Light Change to LED	50,000	-	-	-	-	50,000
Phone System Replacement	35,000	-	-	-	-	35,000
Corporation Yard Overhead Door Replacement	30,000	-	20,000	-	-	50,000
Corporation Yard PRV on Underground Pipes	25,000	-	-	-	-	25,000
Corporation Yard Defensible Space	30,000	-	-	-	30,000	60,000
Security Camera Upgrade	25,000	-	-	-	-	25,000
Aerial Photography	25,000	-	-	-	-	25,000
Corporation Yard Parking Mill & Overlay	-	350,000	-	-	250,000	600,000
Server Upgrade	-	50,000	-	-	-	50,000
SCADA Software Upgrade	-	40,000	-	-	-	40,000
FOB Roof Replacement	-	-	200,000	-	-	200,000
Bypass Hose Replacement (6 inch)	-	-	-	50,000	-	50,000
Boiler Replacements	-	-	-	-	100,000	100,000
	320,000	440,000	220,000	50,000	380,000	1,410,000
Administration						
Utility Billing Software Replacement	115,000	-	-	-	-	115,000
Finance and Accounting Software Replacement	-	100,000	-	-	-	100,000
Electronic Document Management System	-	50,000	-	-	-	50,000
Future Equipment Replacement - Administration	15,000	15,000	15,000	15,000	15,000	75,000
District Website Update	-	-	20,000	-	-	20,000
Admin Building Office Improvement Project	-	-	100,000	-	-	100,000
Admin Building Landscape Project	-	-	-	100,000	-	100,000
	130,000	165,000	135,000	115,000	15,000	560,000
Vehicle and Equipment						
Vehicle & Equipment Replacement (see schedule)	562,000	545,000	570,000	925,000	225,000	2,827,000
Other Capital Projects Subtotal	1,012,000	1,150,000	925,000	1,090,000	620,000	4,797,000
TOTAL CAPITAL EXPENDITURES	1,556,000	1,746,000	1,256,000	1,806,000	1,071,000	7,435,000

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.
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.
2,000 Gal Septic Hauling Truck	Additional septic hauling truck to meet anticipated increase in customer services.
Administrative Building Expansion Design	Administration building expansion design to house additional staff serving anticipated increase in customers.
Fund 5 - Major Capital Improvements	
<u>Collection System Infrastructure Projects</u>	
Pipeline Rehabilitation	Pipeline rehabilitation via cured-in-place liners.
Alder Creek Force Main Check Valve Upgrade	Existing check valve is unservicable. Need to install infrastructure to service check valve.
Schussing Pump Replacement	Replacing aged pumps at Schussing Lift Station.
TSD Manhole Rehabilitation Projects	Manhole rehabilitation via cementitious or other lining method.
Alder Creek Electrical Retrofit	Project will remove the redundant controls allowing easier troubleshooting of the station.
Donner Lake Sub Station Plumbing Replacement	Replace guide rails, check valves, and stand pipes on the sub stations at Donner Lake.
Town Paving Project - Manhole Adjustments	Adjustment of manhole frame and covers. Typically done by Town paving contractor and reimbursed to Town.
Flow Meter Upgrades (Schaffer's Mill Road)	Upgrade the existing flow metering sites. The existing sites have issues that result in inconsistent and sometimes inaccurate data.
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.
Drywell Cathodic Protection Coating	Corrosion prevention cathodic coating for lift station drywells, per the cathodic protection analysis in FY19.
Drywell Cathodic Protection Upgrade	Corrosion prevention cathodic upgrade for lift station drywells, per the cathodic protection analysis in FY19.
Foxmead/River Park LS Upgrade	Consolidation of three lift stations located within 300 ft of each other into a single station.
Install/Replace/Upgrade Existing Long Laterals T.D.	Replace aged or misaligned long laterals in Tahoe Donner acquired by District in 2017.
Easement Acquisitions	Purchase of easements on private properties to ensure access to District facilities.
Alder Creek LS Emergency Overflow Tank Expansion	Review contingency planning and design method to contain a spill in the station failure.
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.
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.
<u>Other Capital Projects</u>	
Corporation Yard Mill & Overlay Project	Full Lot Mill & Overlay
Hand held/Truck Radio Upgrade	Replace aged voice radio system for all vehicles and portable radios.
High Bay Light Change to LED	Existing T-5 Fluorescent lights are at the end of their life cycle. Upgrade with LED lights.
Phone System Replacement	Replace aging phone system for admin facility
Corporation Yard Overhead Door Replacement	Replace aging overhead doors.
Corporate Yard Defensible Space	Vegetation maintenance to mitigate potential wildfire spread.
Security Camera Upgrade	Upgrade of security camera system.
Aerial Photography	Update current aerial map in conjunction with other public agencies to update mapbook.
Corporation Yard PRV on Underground Pipes	Pressure Release Valve installation related to high incoming TDPUD pressure
Server Upgrade	District Data and File Storage Server(s)
SCADA Software Upgrade	The routine upgrade of SCADA software. Replacement software TBD.
FOB Roof Replacement	FOB roof is past 20 year warranty. This is a placeholder for the evaluation and potential replacement of the roof.
Bypass Hose Replacement (6 Inch)	Replace the aged bypass hose that is used for emergency contingencies.
Boiler Replacements	Replace aged boilers.
Utility Billing Software Replacement	Review, demo, select and implement from software alternatives
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.
Future Equipment Replacement - Administration	Placeholder to update office equipment on an as needed basis.
District Website Update	To refresh and upgrade District website periodically.
Admin Building Office Improvement Project	To update existing infrastructure to meet the needs of staff's work spaces.
Admin Building Landscape Project	Refresh and update landscaping at TSD's main building front façade and west entry including design, irrigation system, drainage.
Vehicle and Equipment Replacement & Disposals	See detailed schedule.

Table 10
Truckee Sanitary District
Capital Budget - FY22 - 5 Year Plan
Vehicle & Equipment Replacement Schedule - Fund 5

DESCRIPTION	Budget					Total
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
2 Ton Utility Truck - O&M/Construction *	126,000	-	-	-	-	126,000
2 Ton Flat Bed Pickup w/Hydraulic Tool Package *	121,000	-	-	-	-	121,000
1 Ton Pickup - O&M/Construction/Plow	65,000	-	-	-	-	65,000
1 Ton Pickup - O&M/Construction	55,000	-	-	-	-	55,000
1/2 Ton Utility Truck - On Call Truck	45,000	-	-	-	-	45,000
Full Size SUV - Engineering	50,000	-	-	-	-	50,000
Full Size SUV - District Engineer	50,000	-	-	-	-	50,000
Full Size SUV - O&M Superintendent	50,000	-	-	-	-	50,000
CCTV Mainline Truck O&M/TV	-	380,000	-	-	-	380,000
Generator 150 kw - Lift Station	-	60,000	-	-	-	60,000
Portable Bypass Pump 6" - Lift Station	-	50,000	-	-	-	50,000
Portable Bypass Pump 3" - Lift Station	-	50,000	-	-	-	50,000
Toilet Trailer - O&M/Construction	-	5,000	-	-	-	5,000
CCTV Mainline/Lateral Truck - O&M/TV	-	-	400,000	-	-	400,000
2 Ton 5-yd Dump Truck & Sander - O&M/Construction	-	-	75,000	-	-	75,000
Forklift - Bldg & Grounds/Construction	-	-	40,000	-	-	40,000
Crack Sealer Fill Trailer - O&M/Construction	-	-	25,000	-	-	25,000
Compressor 160 CFM - O&M/Construction	-	-	20,000	-	-	20,000
Shoring Carrier Trailer - O&M/Construction	-	-	10,000	-	-	10,000
Hydro-Excavation Combo Cleaner Vacuum Truck	-	-	-	550,000	-	550,000
Backhoe/Loader	-	-	-	175,000	-	175,000
Loader w/ 12 ft Blade - O&M/Construction	-	-	-	200,000	-	200,000
Bypass Trailer/Hose Reel System	-	-	-	-	75,000	75,000
Tractor w/Snowblower - O&M/Construction	-	-	-	-	120,000	120,000
Flatbed Equipment Trailer - O&M/Construction	-	-	-	-	30,000	30,000
	<u>562,000</u>	<u>545,000</u>	<u>570,000</u>	<u>925,000</u>	<u>225,000</u>	<u>2,827,000</u>

* Board approved purchase in FY21, to be delivered in FY22

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

	Fund					Total
	Unrestricted	Board Designated		Restricted		
	1 General Fund	5 Major Capital	6 Emergency	4 Capital Reserve	10 SAD 5 Trust	
<u>FY22 Budget</u>						
Revenues	11,100,000	20,000	-	250,000	1,000	11,371,000
Expenditures	9,660,000	1,556,000	-	185,000	-	11,401,000
Cost Allocation	(60,000)	-	-	-	60,000	-
Net Expenditures	9,600,000	1,556,000	-	185,000	60,000	11,401,000
Net Revenues	1,500,000	(1,536,000)	-	65,000	(59,000)	(30,000)
Transfers	(1,650,000)	1,650,000	-	-	-	-
Net Increase / (Decrease)	(150,000)	114,000	-	65,000	(59,000)	(30,000)
<u>Fund Balance</u>						
Beginning Balance - Projected	5,895,000	4,075,000	3,000,000	1,850,000	244,000	15,064,000
Net Increase / (Decrease)	(150,000)	114,000	-	65,000	(59,000)	(30,000)
Ending Balance	5,745,000	4,189,000	3,000,000	1,915,000	185,000	15,034,000
<u>Target Reserves</u>						
Ending Balance	5,745,000	4,189,000	3,000,000	1,915,000	185,000	15,034,000
Target Reserve	5,579,000	4,157,000	3,000,000	1,703,000	-	14,439,000
Over / (Under)	166,000	32,000	-	212,000	185,000	595,000
Target Achieved	Yes	Yes	Yes	Yes	Yes	Yes

Target Reserve Notes

Fund	Minimum Target Reserve per Reserve Fund Policy
1 - General Fund	7/12th of projected Fund 1 expenses for FY23 to support cash flow through January 2023
5 - Major Capital	60% of projected Fund 5 expenditures for following 5 years (FY23-FY27)
6 - Emergency Contingency	Board determined at \$3,000,000
4 - Capital Reserves	60% of projected Fund 4 expenditures for following 5 years (FY23-FY27)
10 - SAD 5 Trust	No minimum target reserve

Appendix A
TRUCKEE SANITARY DISTRICT
FUND 1 - GENERAL FUND - FY 2022
Budgeted Expenditures by Category & Department

Account	Description	Department						Total
		1000 Operations & Maintenance	1300 Buildings & Grounds	2000 Lift Station Maintenance	4000 Engineering & Inspections	5000 Fleet & Equipment	6000 Administration	
EXPENDITURES								
Salaries & Wages								4,545,300
40100	Salaries & Wages	1,678,600	57,300	366,800	909,600	100,900	1,269,200	4,382,400
40110	Accrued Benefits	49,400	1,700	9,700	27,000	3,000	37,700	128,500
40105	Directors' Fees	-	-	-	-	-	34,400	34,400
Pension Benefits								1,472,300
40300	Retirement Contrib-EE Classic	77,200	-	19,200	70,100	-	29,100	195,600
40301	Retirement Contrib-ER Classic	128,800	-	32,100	117,000	-	48,600	326,500
40302	Retirement Contrib-ER Pepra	57,300	4,300	7,600	6,700	7,500	64,100	147,500
40305	Retirement Contrib-ER UAL Classic	113,100	3,900	24,700	61,300	6,800	85,400	295,200
40306	Retirement Contrib-ER UAL Pepra	2,900	100	600	1,600	200	2,100	7,500
40307	Retirement Contrib-ER ADP Classic	-	-	-	-	-	-	-
40320	Retirement Contrib-CEPPT	191,500	6,500	41,800	103,800	11,500	144,900	500,000
Health & Other Benefits								1,198,700
40401	Med Ins Prem-Active Employees	381,700	30,700	80,500	169,200	30,700	311,800	1,004,600
40402	Med Deduct Reimb-Active Empl	7,000	1,000	2,000	2,000	1,000	7,000	20,000
40403	Med Out-of-Pocket-Active Empl	7,000	1,000	2,000	2,000	1,000	7,000	20,000
40404	Dental Ins Prem-Active Employee	23,500	2,000	5,900	10,800	2,000	17,100	61,300
40405	Vision Exam Reimb-Active Empl	1,500	300	700	1,500	300	1,700	6,000
40406	Glasses/Contct Reimb-Active Emp	2,500	1,000	1,000	2,500	500	2,500	10,000
40407	Eye Surgery Reimb-Active Empl	500	-	-	500	-	500	1,500
40420	Life Ins Prem-Active Employees	10,000	600	2,400	4,100	600	9,500	27,200
40440	Safety & Wellness Incentive Program	-	-	-	-	-	25,000	25,000
40445	Physicals, Vaccines, DTAP	-	-	-	-	-	6,000	6,000
40610	Car & Phone Allowance	-	-	-	-	-	15,900	15,900
40430	Directors' 457 Deferred Comp	-	-	-	-	-	1,200	1,200
Payroll Burden								394,500
40200	Social Security Tax	102,500	3,600	22,700	51,500	6,300	71,300	257,900
40210	Medicare Tax	24,300	800	5,300	13,200	1,500	18,900	64,000
40221	Workers' Comp Ins	44,200	1,600	10,100	10,600	2,800	3,300	72,600
Retiree Health/OPEB								303,500
40500	OPEB / CERBT Contribution	13,400	500	2,900	7,300	800	10,100	35,000
40501	Med Ins Prem-Retired Empl/Dir	101,500	3,500	22,200	55,000	6,100	76,700	265,000
40502	Dental Ins Prem-Ret Emp/Dir	-	-	-	-	-	500	500
40505	Med Ded Reimb-Retired Empl/Dir	-	-	-	-	-	3,000	3,000
Liability Insurance								163,000
41000	General Liability Insurance	-	-	-	-	-	163,000	163,000
Repairs & Maintenance								350,000
43020	Repairs & Maintenance (R&M)	145,000	20,000	65,000	-	105,000	15,000	350,000
Utilities & Phone Services								164,500
44060	Mobile Phones/Data Plns/Pagers	-	-	-	10,000	-	-	10,000
44010	Electricity & Water	-	700	80,000	-	-	-	80,700
44020	Natural Gas	-	28,000	-	-	-	-	28,000
44030	Solid Waste Disposal	-	10,000	-	-	-	-	10,000
44040	Wastewater Treatment Fees	-	7,000	-	-	-	-	7,000
44050	Propane	-	2,300	-	-	-	-	2,300
44070	Telephone Expense	-	-	12,000	-	-	10,000	22,000
44080	Internet Service	-	-	-	-	-	4,500	4,500
Ad Valorem & Sewer Svc Billing Fees to Counties								150,000
41070	Billing Expense	-	-	-	-	-	150,000	150,000
Supplies - Operating & Safety								94,000
42010	Operating Supplies/Equip/Furniture	40,000	13,000	2,000	2,000	12,000	25,000	94,000
Fuel Expense								62,000
42000	Fuel Expense-Unleaded & Diesel	40,000	-	10,000	10,000	-	2,000	62,000
Outside Services								224,500
42050	Outside Services-General	15,500	15,000	31,000	53,000	-	110,000	224,500
Legal Fees								40,000
41060	Legal Fees	-	-	-	-	-	40,000	40,000
Travel/Training/Mtgs: Gen-Safety-EE Relations								153,500
41090	Travel/Training/Meetings	27,500	200	4,000	8,000	500	61,500	101,700
41120	Employee Relations	1,500	100	200	800	-	25,000	27,600
41125	Public Education & Outreach	-	-	-	-	-	20,200	20,200
42035	LogoWear	-	-	-	-	-	4,000	4,000
Info Tech & Office Expenses								209,200
41030	Computer Hardware Expense	-	-	-	36,200	-	-	36,200
41020	Software Expense	-	-	-	153,000	-	-	153,000
41010	Office Supplies	-	-	-	-	-	20,000	20,000
Dues, Subscriptions & Memberships								41,400
41040	Dues/Subscriptions/Memberships	7,500	200	1,000	2,500	200	30,000	41,400
Uniforms, Linen & Safety Boots								25,700
40615	Uniform Allowance	-	-	-	-	-	-	-
42030	Uniforms	20,000	300	600	1,000	300	-	22,200
42040	Linen Service	-	-	-	-	3,500	-	3,500
Environmental Permits & Fees								28,700
42060	Environmental Permits & Fees	10,000	1,200	17,000	-	500	-	28,700
LAFCO Expenses								8,000
41150	LAFCO Expenses	-	-	-	-	-	8,000	8,000
Printing & Publications								25,000
41050	Printing & Publication Expense	-	-	-	-	-	25,000	25,000
Misc-Current YR								6,200
41080	Bank Charges	-	-	-	-	-	4,000	4,000
45000	Other Expense	300	-	200	500	-	1,200	2,200
TOTAL EXPENDITURES		3,325,700	218,400	883,200	1,904,300	305,500	3,022,900	9,660,000

**APPENDIX B
TABLE 1**

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

REVENUE ASSUMPTIONS

User Fees		8% Increase FY22
User Fees		No Increases FY23 - FY29
User Fees		7.0% Increase FY30 - FY34
User Fees		No Increases FY35 - FY41
Property Tax	% Year over Year	3.00%
Users (# of EDUs)	% Year over Year	1.00%
Interest Earned	ROI	1.00%

EXPENSE ASSUMPTIONS

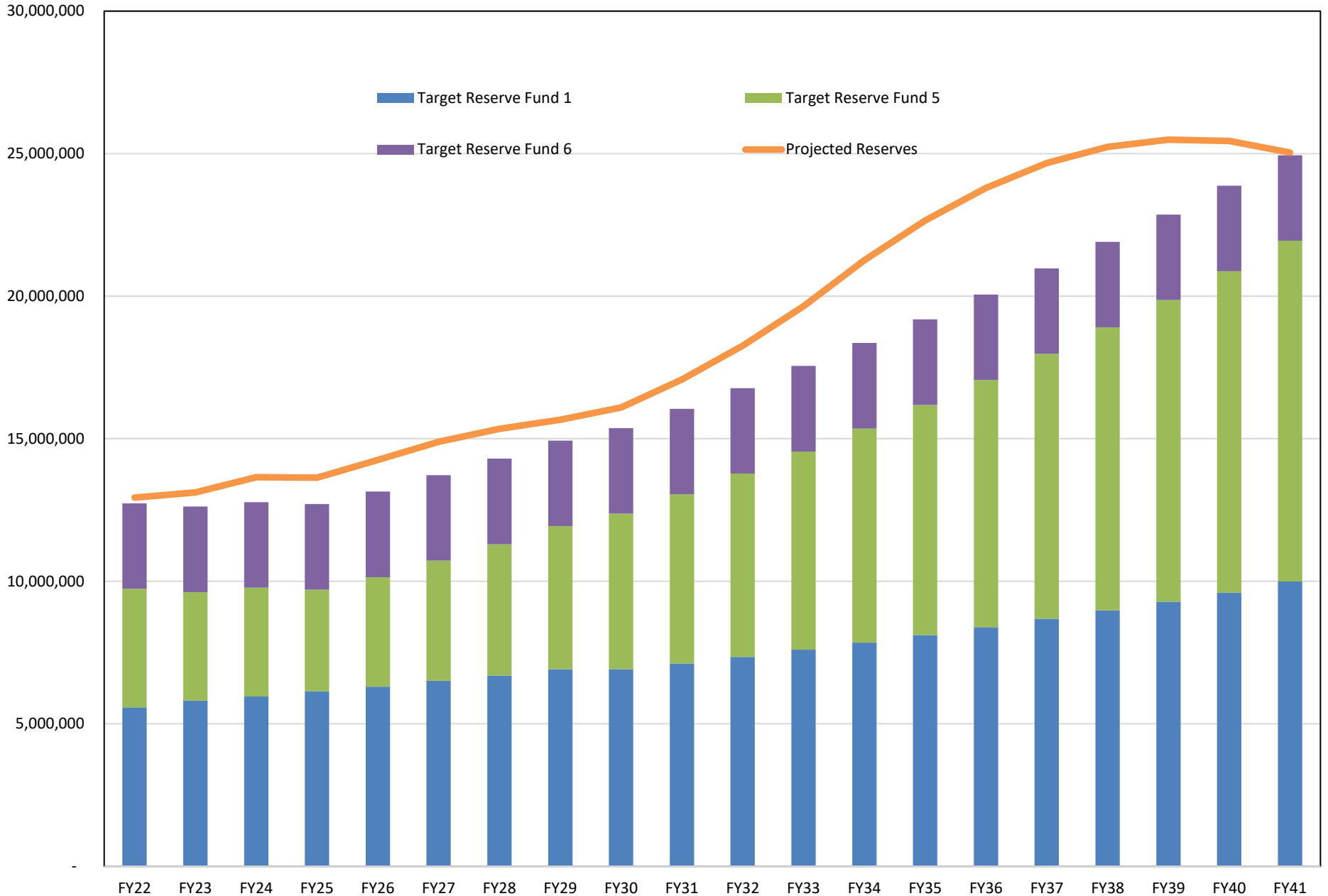
Salaries	% Year over Year	3.00%
ER Taxes, Med Ins, Acc Benes	% Year over Year	5.00%
CERBT	Based on Trust Fund Balance	
Retiree Bill Premiums	Based on Actuarial Rpt through FY29, then 4% Thereafter	
Retirement - Normal Costs	Based on Calpers Valuation Rpt Percentages	
Retirement - UAL	Based on \$0.5M Payment for FY22, plus 7 years at \$250,000 for anticipated CalPERS assumption change in discount rate from 7.0% to 6.5%.	
O & M	% Year over Year	3.00%
Capital Expenditures	% Completed	100.00%

RESERVE FUND POLICY

Fund 1 Target	7 Months of Operating Expenses
Fund 5 Target	60% of 5-year rolling Fund 5 Expenses
Fund 6 Target	\$3,000,000

APPENDIX B


TRUCKEE SANITARY DISTRICT
20 Year Reserve Fund Forecast



MEMORANDUM

DATE: May 12, 2021

TO: Blake R. Tresan, General Manager

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

CC: Mark Wasley, Finance and Administrative Services Manager

SUBJECT: ALLOCATION OF SAD 5 & MVI FUNDS FOR THE FY 2021-22 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 2021-22 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 2021-22 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 2021-22, 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	4,608*	86	1.86	34	0.74
Length of Pipe Segments, ft	1,218,061*	22,382	1.84	9,493	0.78
Inch Diameter Mile	1558*	26	<u>1.67</u>	<u>33</u>	<u>2.12</u>
Average			1.79		1.21

*Number includes only "TSD Active" pipes.