



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



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

Adopted June 20, 2024

**TRUCKEE SANITARY DISTRICT
FISCAL YEAR 2024-2025
ANNUAL BUDGET**

Board of Directors:

Marcus Waters, DC, President

Brian K. Smart, Vice President

Denny Anderson

Jerry Gilmore

Catherine Hansford

District Budget Workgroup:

Blake R. Tresan, PE, 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 FY25 ANNUAL BUDGET

BUDGET MEMORANDUM FROM GENERAL MANAGER

TABLES

1. Annual Budget – All Funds – FY25
2. Operating Budget – Fund 1 - FY25 - Comparison to FY24 Budget and Projected Actuals
3. Staffing Plan – FY25
4. Outside Services Budget Detail – FY25
5. Computer Hardware, Software, IT Support Budget Detail – FY25
6. Travel & Training Budget Detail – FY25
7. Capital Improvement – Fund 4 – 5-Year Budget Plan – FY25 thru FY28
8. Capital Improvement – Fund 5 – 5-Year Budget Plan – FY25 thru FY28
9. Description of Capital Projects – FY25
10. Fleet and Equipment Replacement Schedule – FY25 thru FY28
11. Fund Balance by Fund – FY25

APPENDICES

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

**TRUCKEE SANITARY DISTRICT
BOARD OF DIRECTORS
RESOLUTION NO. 2024-113**

**A RESOLUTION ADOPTING THE OPERATING AND CAPITAL
BUDGET FOR FISCAL YEAR 2024-2025
FOR THE TRUCKEE SANITARY DISTRICT**

WHEREAS, the staff of the Truckee Sanitary District have developed a budget for fiscal year 2024-25 (from July 1, 2024 through June 30, 2025); 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 2024-25; 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 2024-25.

PASSED AND ADOPTED by the Board of Directors of the Truckee Sanitary District at a regular meeting of the Board, held on the 20th day of June, 2024, by the following roll call vote:

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


Marcus Waters, DC
President of the Board of Directors

ATTEST:

Blake R. Tresan,
Board Secretary



MEMORANDUM



Date: June 20, 2024
To: Board of Directors
From: Blake R. Tresan, General Manager
Subject: FISCAL YEAR 2024 ANNUAL BUDGET

The purpose of this memorandum is to present the annual budget for the Truckee Sanitary District (“District”) for fiscal year 2024 (FY25). The budget lays out a financial map for the District for the period July 1, 2024 through June 30, 2025. The budget is separated into two categories: operations and capital, and tracks changes in the five District reserve funds. This year’s budget was developed with the goal of achieving the District’s mission of protecting the public health and environment while providing its customers with the highest level of service consistent with the prudent management of public funds.

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

This budget was prepared as a group effort and the diligence of Mark Wasley, Sara Bergeron, Rene Lopez, Brynne 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 12,189 residential units and approximately 579 commercial accounts as of June 30, 2024. Service is provided through approximately 215 miles of gravity mains, 16 miles of force mains, 187 miles of laterals and 44 lift stations.

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

FY24 Highlights

Before presenting the FY25 budget, it is worthwhile to highlight a few FY24 items where the projected actual results differ from the approved budget and to highlight new investment accounts:

- Operating Revenue is projected to be \$13.675 million, \$0.575 million greater than FY24 budget, primarily due to higher than budgeted property tax revenue from both Nevada and Placer Counties and higher than budgeted investment income.
- Operating Expenditures are projected to be \$10.315 million, \$0.325 million less than FY24 budget after accounting for an additional discretionary payment (ADP) of \$1.50 million to the CalPERS Public Employees' Retirement Fund (PERF), of which \$0.90 million was a transfer from the California Employers' Pension Prefunding Trust (CEPPT) account. The ADP and the CEPPT distribution were approved by the District Board in April 2024. Excluding the unbudgeted discretionary contribution payments to the PERF, operating expenditures are projected to be \$0.925 million less than budgeted for FY24. The reduction in expenditures, prior to the discretionary contribution payments are, in part, due to savings in salaries and wages due to the timing of filling retirees' positions, intentional reduction of one full-time position, and lower than anticipated expenditures for operating activities (e.g, travel, training, IT/office expenses, outside services), operating supplies and miscellaneous benefits.
- The Board approved a General Fund transfer of \$2.425 million into the District's Repair, Replacement, and Upgrade Reserve Fund and of \$1.0 million into the District's Emergency Contingency Reserve Fund on April 18, 2024, 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 \$0.85 million in interest and investment income during FY24.
- The Board reviewed the District's Investment Policy on April 18, 2024, updating the policy to include parameters in limiting investments in U.S. Treasury Securities to \$15,000,000, while keeping with the same investment objectives and investment accounts where District can invest funds. The prudent investment of District reserves is anticipated to generate \$0.85 million in interest and investment income during FY24.
- The Board reviewed the District's Reserve Fund Policy on April 18, 2024, recommending increasing the District's Emergency Contingency fund target from \$3.0 million to \$5.0 million, keeping the same minimum target reserves for each of the other District's funds and a 90% funded status target for the District's Pension and Retiree Health liabilities.

FY25 Budget Highlights

FY25 Fund 1 – Operating Budget

- Net operating revenues (operating revenues less operating expenditures) for FY25 are estimated to be \$3.00 million and \$1.81 million is projected to be transferred to Fund 5 to fund future capital expenditures and \$1.0 million is projected to be transferred to Fund 6 to further support District Emergency Reserves.
- Operating revenues for FY25 are budgeted at \$14.00 million (2.38% increase over FY24 projected actuals, a 6.87% increase over FY24 budget).
 - User fee revenue is budgeted at \$4.53 million in FY25 (1.00% increase over FY24 projected actuals). User fees represent 32.3% of total operating revenues.
 - Property tax revenue is budgeted at \$8.75 million for FY25 (3.55% increase over FY24 projected actuals). Property taxes represent 62.5% of total operating revenues.
- Operating expenditures for FY25 are budgeted at \$11.07 million (a 7.27% increase from FY24 projected actuals, 3.99% increase over FY24 budget), including:
 - \$5.17 million in salaries and wages;
 - \$3.28 million in benefits and payroll burden;
 - \$0.27 million in other post-employment benefits (OPEB);
 - \$2.34 million in other operating costs.

FY25 Funds 4 & 5 – Capital Budget

- Capital expenditures in FY25 are estimated to be \$2.34 million, including:
 - \$0.25 million in capacity facilities expansion;
 - \$1.36 million in Engineering Department improvements;
 - \$0.31 million in vehicle & equipment purchases;
 - \$0.42 million in other capital projects.

FY25 – Total Budget

- Total District reserves in FY25 are estimated to increase by approximately \$1.20 million beginning the year at \$19.92 million and ending the year at \$21.12 million.

FY25 Budget Details

A detailed description of the annual budget for FY25 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 FY25, staff anticipates an increase in Fund 1 operating revenues of approximately \$0.33 million and an increase of \$0.79 million in expenditures over the current year projected actuals (Table 2).

Operating Revenues

Overall, operating revenues are budgeted at \$14.00 million (2.38% increase from FY24 projected actuals, 6.87% increase from FY24 budget) – an increase of \$0.33 million over FY24 projected actuals. This increase in revenue is primarily attributable to increased property tax revenues resulting from continued residential and commercial development and rising real estate values and an estimated 1.0% increase in user fees due to an increase in the District’s customer base. Also of note is an increase of \$0.13 million in interest revenues over the FY24 budget due to the District’s investing in U.S. Treasury Securities and the CalClass investment pool account, both investments which have exceeded interest earnings with the Local Agency Investment Fund (LAIF) with whom the District previously had kept its cash reserves.

Staff is budgeting a 3.5% increase in property tax revenues over FY24 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 7.31% 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 FY25 budget.

Operating Expenditures

Operating expenses for FY25 are budgeted at \$11.07 million (7.27% increase from FY24 projected actuals, 3.99% increase from FY24 budget). The increase (FY25 budget vs FY24 budget), is mostly attributable to a 4.00% cost of living (COLA) wage increase approved by the Board on May 16, 2024, and related increased payroll related burden costs.

Staffing: According to the staffing plan, a total of 39.5 full-time-equivalents (FTEs) will be employed by the District during the coming year (Table 3). This is a slight increase of 1.33 FTE from FY24 projected actuals. The staffing increase consists of overlap of retiring staff training new staff. The 4.00% cost of living adjustment (COLA) placeholder 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, workers compensation insurance, Medicare tax, dental insurance and vision expense reimbursement. Overall, these benefits are estimated to cost the District \$3.28 million in FY25 (3.27% decrease from FY 24 projected actuals, 9.86% increase from FY24 budget). The decrease between FY25 budget and FY24 projected actuals is due primarily to a one-time Board approved FY24 additional discretionary contribution of \$1.50 million to the CalPERS Public Employees’ Retirement Fund (PERF) and offset by increases in budgeted expenditures for healthcare, pension and other retirement benefit costs.

Pension Contributions: For FY25, the District anticipates making \$1.37 million in pension contributions to CalPERS. These contributions include \$524,000 in employer normal costs, \$140,000 in Classic employee normal costs paid for by the District, \$119,000 in Supplemental Retirement for PEPRA employees, and a \$500,000 discretionary contribution to the District's CEPPT account to prefund future payments towards the UAL. Pension Prefunding Payments (CEPPT or Additional discretionary payments (ADP) towards the District's UAL) save the District future interest payments that would otherwise be included on the outstanding UAL balance at the CalPERS discount rate (currently 6.8%). In fact, the CalPERS Actuarial Valuation report dated June 30, 2022, reflects a \$0.85 UAL required contribution for FY25. Excluding CEPPT, ADP, and required UAL contributions, the District's normal costs to CalPERS in FY25 are anticipated to decrease by \$45,000 over FY24 projected actuals despite increased wages. As the District's staffing continues to shift from Classic to PEPRA (14 to 34 respectively for FY25), pension normal costs and Classic employee normal costs will continue to decrease, with potential offsetting increases due to salary increases, CalPERS discount rate changes and other actuarial assumption changes.

Health Insurance: The District provides health insurance for its employees through a contract with CalPERS. CalPERS sets premiums for each calendar year in the prior June. For calendar 2025, medical health insurance premiums are anticipated to increase by 10% (January – June). The overall health insurance costs for the District are estimated to be \$1.13 million in FY25, an increase of \$0.20 million over FY24 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 \$475,000 in FY25, an increase of \$51,000 over FY24 projected actuals, mostly attributable to an increase in salaries and wages.

Dental & Vision Coverage: The District provides dental insurance for its employees. The cost of the premiums for dental insurance is anticipated to increase by \$22,000 in FY25 over FY24 projected actuals due to an anticipated 10% increase in coverage. Vision coverage is provided through a District sponsored reimbursement program. For FY25, vision costs are anticipated to increase by \$10,000 from FY24 projected actuals, from \$20,000 in FY24 to \$30,000 in FY25.

Retiree Benefits: District retirees are eligible for health insurance benefits (OPEB) through CalPERS in accordance with a vesting program. Upon retirement, employees with 10 years of CalPERS service credit, receive 50% of their health insurance costs covered by the District. For each additional year of service with the District, employees receive a 5% increase up to 100% of their health insurance costs after 20 years of service. To be eligible, retirees must utilize the District's insurance provider. The District has two cost components associated with providing retiree health insurance: 1) the cost of premiums for retirees, and 2) contributions or disbursements to/from the District's retiree health trust fund (CERBT). For FY25, the District anticipates expenditures for health insurance premiums for retirees to be \$440,000, an \$102,000 increase over FY24 projected actuals, primarily driven by additional retirees and anticipated increases in health insurance premium rates. As of the June 30, 2023 OPEB valuation report, the value of the District's health trust fund is \$6,757,000, \$300,000 lower than the estimated OPEB liability of \$7,057,000, a funding status of 95.7%. 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 \$167,000 increase in Outside Service costs in FY25 over the FY24 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 FY25 by approximately \$98,000 over FY24 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 \$82,000 higher than the FY24 projected actuals. This increase is primarily due to the lifting of Covid-19 restrictions for FY25 travel/training as well as 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 FY25 along with professional development opportunities.

Net Operating Revenues

Overall, operating revenues are budgeted to exceed expenditures by \$3.00 million for FY25. A total of \$1.81 million is budgeted to be transferred to Fund 5 to help fund future capital expenditures and \$1.0 million is budgeted to be transferred to Fund 6 to help shore-up the District's Emergency Contingency Reserve Fund. Fund 1 is anticipated to retain sufficient funds to ensure a 60% funding reserve is available at the beginning of the following fiscal year as defined in the District's Reserve Fund Policy.

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

Capital Budget – Funds 4 & 5

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

Capital Budget Revenues

The District receives revenues to fund capital expenditures from a combination of sources, including connection fees, interest earnings, and transfers from Fund 1 net operating revenues. In FY25, connection fees are anticipated to generate \$0.22 million in revenue. Interest earnings are anticipated to generate approximately \$0.38 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 interest earnings are allocated to unrestricted and restricted funds. A total of \$1.78 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 \$2.34 million in capital expenditures for FY25 and \$11.39 million over the next five years (Tables 7 and 8). Significant capital expenditures projected for FY25 include \$560,000 in vehicle & equipment purchases, \$400,000 for the Foxmead lift station upgrade, \$150,000 for the Coachland Wet Well Rehabilitation, and \$100,000 for the Donner Lake Lift Stations Controls upgrade 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 FY25 with approximately \$19.92 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 \$21.12 million in cash reserves, an increase of approximately \$1.20 million during FY25. 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 readopted in April 2024. The FY25 budget indicates that all funds will meet or exceed target balances throughout FY25.

Fund 1 – General Fund (unrestricted)

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

Fund 4 – Capacity Reserve Fund (restricted)

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

Fund 5 – 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 (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 \$65,000 of maintenance work on the SAD 5 assets each year. These monies are originally drawn from the General Fund and later allocated to and reimbursed from Fund 10. The method for determining this allocation can be seen in Appendix C. There is no minimum target balance for this fund, and Fund 10 will be utilized until fully depleted.

20-Year Forecast

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

- Fund 1 – General Fund (unrestricted)
 - 1.00% annual user fee increase based on anticipated growth of customers
 - 4.50% annual user fee increase FY35 – FY39;
 - 3.00% annual property tax increase;
 - Gradual, steady anticipated decreases in Classic pension retirement expenses with gradual, smaller anticipated increases in PEPRA pension retirement expenses.
- Reserve Fund 4 – 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 interest income on Fund 5 reserve balance.
- Fund 6 – Emergency Contingency Reserve Fund (Board designated/unrestricted)
 - Maintain balance of \$5,000,000.
- 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 FY25 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 \$1.2 million; this outcome results in a 6.00% increase in cash reserves from \$19.92 million to \$21.12 million. Overall, the District's financial position remains stable, with no debt (other than pension, OPEB and compensated absences liabilities), and cash reserves that meet or exceed the targets set forth in the District's Reserve Fund Policy. The District will continue to strive towards a 90% funded status with its pension and retiree health benefit funding strategies. As always, staff will do its best to keep the Board updated on the budget as the year progresses and welcomes the Board's input on all budget related items.

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY25

FUND	AMOUNT
UNRESTRICTED FUNDS	
Fund 1 - General Fund	
REVENUE	
User Fees	4,525,000
Fees for Services	100,000
Tax Revenue - Ad Valorem	8,750,000
Interest Earned	425,000
Rents & Leases	5,000
Other Income	195,000
TOTAL REVENUE	14,000,000
EXPENDITURES	
Salaries & Wages	5,173,000
Pension Benefits	1,367,500
Health & Other Benefits	1,441,200
Payroll Burden	475,200
Retiree Health/OPEB	265,000
Liability Insurance	300,000
Repairs & Maintenance	405,000
Utilities & Phone Services	237,300
Ad Valorem & Sewer Svc Billing Fees to Counties	165,000
Operating Supplies	91,000
Fuel Expense - Unleaded & Diesel	76,000
Outside Services	347,500
Legal Fees	100,000
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	239,400
Info Tech & Office Expenses	230,000
Dues, Subscriptions & Memberships	50,600
Uniforms, Linen & Safety Boots	21,700
Environmental Permits & Fees	40,500
LAFCO Expenses	12,000
Printing & Publications	25,000
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	2,100
EXPENDITURE SUBTOTAL	11,065,000
<i>Cost Allocations to Funds 4, 5 & 10</i>	65,000
TOTAL EXPENDITURES	11,000,000
GENERAL FUND NET INCOME (LOSS)	3,000,000
<i>Transfer to Fund 5</i>	(1,810,000)
<i>Transfer to Fund 6</i>	(1,000,000)
GENERAL FUND NET INCREASE (DECREASE)	190,000

continued

Table 1
Truckee Sanitary District
Annual Budget - All Funds - FY25

FUND	AMOUNT
BOARD DESIGNATED FUNDS	
Fund 5 - Repair, Replacement and Upgrade Reserve Fund	
REVENUE	
Interest	275,000
EXPENDITURES	(2,085,000)
Transfers from Fund 1	1,810,000
FUND 5 NET INCOME (LOSS)	-
Fund 6 - Emergency Contingency Reserve Fund	
REVENUE	-
EXPENDITURES	-
Transfers	1,000,000
FUND 6 NET INCOME (LOSS)	1,000,000
RESTRICTED FUNDS	
Fund 4 - Capacity Reserve Fund	
REVENUE	
Connection Fees	220,000
Interest	100,000
TOTAL REVENUE	320,000
EXPENDITURES	(250,000)
Transfers	-
FUND 4 NET INCOME (LOSS)	70,000
Fund 10 - SAD 5 Trust Fund	
REVENUE	
Interest	5,000
EXPENDITURES	(65,000)
Transfers	-
FUND 10 NET INCOME (LOSS)	(60,000)
TOTAL REVENUE - ALL FUNDS	14,600,000
TOTAL EXPENDITURE - ALL FUNDS	(13,400,000)
NET INCOME (LOSS) - ALL FUNDS	1,200,000

APPROVED BY BOARD OF DIRECTORS AT THEIR REGULAR MEETING JUNE 20, 2024

Blake R. Tresan, Secretary to the Board

Table 2
TRUCKEE SANITARY DISTRICT
FUND 1 - OPERATING BUDGET - FY25
COMPARISON to FY24 Budget and Projected Actuals

Fund 1 - General Fund	Budget FY24	Projected FY24	Budget FY25	FY25 Budget to FY24 Budget		FY25 Budget to FY24 Projected	
				Fav/(Unfav) \$	Fav/(Unfav) %	Fav/(Unfav) \$	Fav/(Unfav) %
REVENUE							
User Fees	4,470,000	4,485,000	4,525,000	55,000	1.2%	40,000	0.9%
Fees for Services	50,000	105,000	100,000	50,000	100.0%	(5,000)	-4.8%
Tax Revenue - Ad Valorem	8,060,000	8,450,000	8,750,000	690,000	8.6%	300,000	3.6%
Interest Earned	300,000	475,000	425,000	125,000	41.7%	(50,000)	-10.5%
Rents & Leases	5,000	5,000	5,000	-	0.0%	-	0.0%
Other Income	215,000	155,000	195,000	(20,000)	-9.3%	40,000	25.8%
TOTAL REVENUE	13,100,000	13,675,000	14,000,000	900,000	6.87%	325,000	2.38%
EXPENDITURES							
Salaries & Wages	5,172,800	4,762,200	5,173,000	(200)	0.0%	(410,800)	-8.63%
Pension Benefits	1,255,100	1,812,000	1,367,500	(112,400)	-9.0%	444,500	24.5%
Health & Other Benefits	1,275,300	1,159,100	1,441,200	(165,900)	-13.0%	(282,100)	-24.3%
Payroll Burden	458,700	423,800	475,200	(16,500)	-3.6%	(51,400)	-12.1%
Retiree Health/OPEB	370,000	337,900	265,000	105,000	28.4%	72,900	21.6%
Liability Insurance	245,000	247,100	300,000	(55,000)	-22.4%	(52,900)	-21.4%
Repairs & Maintenance	408,000	374,200	405,000	3,000	0.7%	(30,800)	-8.2%
Utilities & Phone Services	228,500	213,500	237,300	(8,800)	-3.9%	(23,800)	-11.1%
Ad Valorem & Sewer Svc Billing Fees to Counties	155,000	150,000	165,000	(10,000)	-6.5%	(15,000)	-10.0%
Operating Supplies	120,000	85,500	91,000	29,000	24.2%	(5,500)	-6.4%
Fuel Expense - Unleaded & Diesel	93,000	77,500	76,000	17,000	18.3%	1,500	1.9%
Outside Services	218,300	181,000	347,500	(129,200)	-59.2%	(166,500)	-92.0%
Legal Fees	65,000	65,000	100,000	(35,000)	-53.8%	(35,000)	-53.8%
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	213,800	157,300	239,400	(25,600)	-12.0%	(82,100)	-52.2%
Info Tech & Office Expenses	220,000	132,000	230,000	(10,000)	-4.5%	(98,000)	-74.2%
Dues, Subscriptions & Memberships	49,400	49,400	50,600	(1,200)	-2.4%	(1,200)	-2.4%
Uniforms, Linen & Safety Boots	27,300	22,600	21,700	5,600	20.5%	900	4.0%
Environmental Permits & Fees	38,000	38,000	40,500	(2,500)	-6.6%	(2,500)	-6.6%
LAFCO Expenses	10,000	10,500	12,000	(2,000)	-20.0%	(1,500)	-14.3%
Printing & Publications	15,000	15,000	25,000	(10,000)	-66.7%	(10,000)	-66.7%
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	1,800	1,400	2,100	(300)	-16.7%	(700)	-50.0%
EXPENDITURE SUBTOTAL	10,640,000	10,315,000	11,065,000	(425,000)	-3.99%	(750,000)	-7.27%
<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)	(65,000)	(65,000)				
<i>Total Cost Allocations</i>	<u>(65,000)</u>	<u>(65,000)</u>	<u>(65,000)</u>				
TOTAL EXPENDITURES	10,575,000	10,250,000	11,000,000				
GENERAL FUND NET INCOME (LOSS)	2,525,000	3,425,000	3,000,000				
<i>Transfer to Fund 5 - Repair, Replacement, Upgrade Reserve Fund</i>	(2,715,000)	(2,425,000)	(1,810,000)				
<i>Transfer to Fund 6 - Emergency Contingency Reserve Fund</i>	-	(1,000,000)	(1,000,000)				
GENERAL FUND NET INCREASE (DECREASE)	(190,000)	-	190,000				

Table 3
Truckee Sanitary District
Staffing Plan FY25

DEPARTMENT	Actual				Projected FY 24	Budget FY 25
	FY 20	FY 21	FY 22	FY 23		
1000 - Operations & Maintenance	16.00	17.00	16.25	15.92	15.92	16.25
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	7.00	6.83	6.50	7.00
5000 - Fleet & Equipment	1.00	1.00	1.00	1.00	1.00	1.00
6000 - Administration	12.50	11.00	11.21	12.50	10.75	11.25
TOTAL FTE	40.50	40.00	39.46	40.25	38.17	39.50

Projected FY24

O&M includes internal promotion of Superintendent & Supervisor, down 1 FTE in June
Engineering does not include Senior Engineer until 7/1/24
Admin includes 1 Admin Assist II add effective 6/24

Budget FY25

O&M includes 1 Seasonal Intern 7/1-10/31/24 and then one hired CSML 11/1/24-6/30/25
Engineering Assumes Senior Engineer hired at 7/1/24
Admin includes 1 Admin Assist II add effective 4/1/25

Table 4
Truckee Sanitary District
Fund 1 - General Fund - FY24
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	2,300
		30,000
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.)	70,000
	Geotechnical Services	5,000
	IT Support	20,000
	WEST consulting (Dump Closure)	4,000
	DTSC fees for Dump Closure	4,000
	USA of Northern California	4,500
	Hydraulic Modeling	35,000
	UNR - Flow Measuring Softward Research & Development	25,000
	Contingency	10,000
		177,500
6000-Administration		
	Answering Service	2,000
	DATCO Testing	5,000
	Navia Benefits Admin Fees	6,000
	Navia Fees Wellness Admin Fees	2,500
	Navia Fees COBRA Admin Fees	1,500
	Records Retention/Gladwell	5,000
	Truckee River Watershed Council - Weed Warrior	4,000
	Actuarial Services/TCS	5,000
	Audit - James Marta & Co	35,000
	Recruitment Services	30,000
	Contingency	4,000
		100,000
Total Outside Services		347,500

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

Department	Description (GL 41020 & 41030)	Amount
Hardware upgrade/purchase - 01-4000-41030		
	5 Laptop Computers	15,000
	2 Computer Monitors	1,300
	3 Mobile Tablets/Accessories	5,000
	WiFi Upgrades	1,000
	GraniteNet Truck Computer	5,000
	Contingency	22,700
	Total Hardware	50,000
Software Expense - 01-4000-41020		
	Annual Maintenance	
	ClearSCADA	7,000
	Citrix Server (SCADA)	2,500
	ESRI	12,000
	Granite	6,000
	Lucity / TriTech / Central Square	19,000
	ParcelQuest	7,400
	PC TopKat-Gasboy	800
	Springbrook	17,700
	Alpenlily Website hosting	1,800
	Civic Clerk	8,000
	MSDS Online	3,900
	Trakstar	5,000
	Microsoft Office 365 (40 seats)	11,000
	Adobe Pro Acrobat (25 Lic)	3,400
	Norfield - Locator Logix	650
		106,150
	Software upgrade/purchase	
	Lucity Mobile (3 Seats)	9,000
	Cybersecurity	29,000
	1 year Autocad	2,500
	Contingency	18,350
		58,850
	Total Software & IT Support	165,000
	Total Hardware, Software & IT Support Expense	215,000

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

<u>Department</u>	<u>Description (GL 41090)</u>	<u>Amount</u>
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	10,000
	Competent Trench Training	500
	Tri-State Reg Training Conf	3,000
	AC Pipe Training	1,500
	Meetings & Travel	2,500
		25,000
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
	Other Professional Development	4,500
		25,000
5000-Equipment & Fleet		
	Workshop safety class	500
	Meetings & Travel	500
		1,000

continued

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

<u>Department</u>	<u>Description (GL 41090)</u>	<u>Amount</u>
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	10,000
	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
	TylerConference	5,000
	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	6,000
	Contingency	5,000
		105,000
Total		166,300

Table 7
Truckee Sanitary District
Capital Budget - FY25 - 5 Year Plan
Fund 4 - Capiacity Facilities

CAPITAL PROJECT	Budget					
	FY25	FY26	FY27	FY28	FY29	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	-	90,000	100,000	170,000	50,000	410,000
<u>Lift Stations</u>						
Lahontan Lift Station Upgrade for Capacity - LAH3-FM	-	-	250,000	-	-	250,000
Lahontan Lift Station Upgrade for Capacity - LAH3	-	-	100,000	-	-	100,000
Lahontan Lift Station Upgrade for Capacity - LAH4	-	-	-	200,000	-	200,000
Lift Station 1B Upgrade Capacity	-	-	-	-	275,000	275,000
Lahontan Lift Station Upgrade for Capacity - LAH5	-	-	-	-	200,000	200,000
Total Lift Stations	-	-	350,000	200,000	475,000	1,025,000
<u>Fleet</u>						
1/2 inch Cleaning Truck similar to Pipehunter	250,000	-	-	-	-	250,000
Total Fleet	250,000	-	-	-	-	250,000
<u>Facilities</u>						
Administration Building Expansion Design	-	-	-	-	250,000	250,000
Total Facilities	-	-	-	-	250,000	250,000
TOTAL CAPITAL EXPENDITURES	250,000	90,000	450,000	370,000	775,000	1,935,000

Table 8
Truckee Sanitary District
Capital Budget - FY25 - 5 Year Plan
Fund 5 - Repair, Replacement, and Upgrade Reserve Fund

CAPITAL PROJECT	Budget					
	FY25	FY26	FY27	FY28	FY29	Total
<u>Engineering Department</u>						
Foxmead/River Park LS Upgrade	400,000	-	-	-	-	400,000
Town Paving Project - Manhole Adjustments	150,000	150,000	150,000	150,000	150,000	750,000
Union Pacific Railroad Crossing	100,000	-	-	-	-	100,000
Donner Lake Lift Station Controls Upgrade	100,000	-	-	-	-	100,000
Lift Station Replacement Master Plan	100,000	-	-	-	-	100,000
Coachland Wet Well Rehabilitation	150,000	-	-	-	-	150,000
TSD Manhole Rehabilitation Projects	75,000	-	75,000	-	75,000	225,000
Server Upgrade	75,000	-	-	-	-	75,000
Drywell Cathodic Protection Coating - All Drywells	50,000	50,000	50,000	-	-	150,000
SCADA Hardware Upgrade Admin Building	50,000	-	-	-	-	50,000
SCADA Software Upgrade	50,000	-	-	-	-	50,000
Security Camera Upgrade	30,000	-	-	-	-	30,000
Backup Recovery Server	25,000	-	-	-	-	25,000
Pipeline Rehabilitation	-	350,000	-	350,000	-	700,000
Install/Replace/Upgrade existing long laterals T.D.	-	100,000	-	-	100,000	200,000
Alder Creek LS Emergency Overflow Tank Expansion	-	100,000	-	-	-	100,000
Glenshire Lift Stations Control Upgrades	-	100,000	-	-	-	100,000
Conversion of Telemetry phone lines to Radio	-	100,000	-	-	-	100,000
Telemetry Radio Upgrade	-	100,000	-	-	-	100,000
Easement Acquisitions	-	75,000	-	-	75,000	150,000
Donner Lake Sub Station Plumbing Replacement	-	40,000	-	40,000	-	80,000
District Website Update	-	25,000	-	-	-	25,000
Replace Pumps and Motors Alder Creek	-	-	250,000	-	-	250,000
Schussing Lift Station Control Upgrade	-	-	150,000	-	-	150,000
EV Charging Station	-	-	150,000	-	-	150,000
Donner Creek Bypass System	-	-	-	500,000	500,000	1,000,000
Engineering Department Subtotal	1,355,000	1,190,000	825,000	1,040,000	900,000	5,310,000
<u>Operations & Maintenance Department</u>						
Corporation Yard Overhead Door Replacement	50,000	-	-	-	-	50,000
Bypass Hose Replacement (6 inch)	50,000	-	-	-	-	50,000
Landscape & Grounds Improvements	100,000	-	-	50,000	-	150,000
Paint Lift Station in Lah/MV	20,000	-	-	-	-	20,000
Corporation Yard Defensible Space	50,000	-	50,000	-	50,000	150,000
Boiler Replacements	-	100,000	-	100,000	-	200,000
	270,000	100,000	50,000	150,000	50,000	620,000
Vehicle and Equipment						
Vehicle & Equipment Replacement (see table 9)	310,000	430,000	875,000	885,000	675,000	3,175,000
Operations & Maintenance Department Subtotal	580,000	530,000	925,000	1,035,000	725,000	3,795,000
<u>Finance and Administrative Services Department</u>						
Finance and Accounting Software Replacement	150,000	-	-	-	-	150,000
Electronic Document and Management System	-	100,000	-	-	-	100,000
Building Improvements & Office Equip	-	50,000	-	-	50,000	100,000
Finance and Administrative Services Department Subtotal	150,000	150,000	-	-	50,000	350,000
TOTAL CAPITAL EXPENDITURES	2,085,000	1,870,000	1,750,000	2,075,000	1,675,000	9,455,000

Table 9
Truckee Sanitary District
Description Of Capital Projects

Capital Projects	Description
Fund 4 - Capacity Reserve Fund	
Pipeline Capacity Expansion	Hydraulic model has indicated pipeline may be undersized and in need of upsizing.
Extending Laterals to Committed Donner Lake Lots	To provide sewer laterals to the committed SAD 4 parcels, should they be requested.
Lahontan Lift Station Upgrade for Capacity	Hydraulic model has indicated station pumps may be undersized and in need of upsizing.
Lift Station 1B Upgrade Capacity	Hydraulic model has indicated station pumps may be undersized and in need of upsizing.
Hydro-Cleaning Truck	Hydro cleaning of sewer lines.
Administrative Building Expansion Design	customers.
Fund 5 - Repair, Replacement, and Upgrade Reserve Fund	
Engineering Department	
Foxmead/River Park LS Upgrade	Consolidation of three lift stations located within 300 feet of each other into a single station.
Town Paving Project - Manhole Adjustments	Adjustment of manhole frame and covers. Typically done by Town paving contractor and reimbursed by TSD to Town.
Union Pacific Railroad Crossing	Reinstall UPRR crossing for access to infrastructure under the Truckee River.
Donner Lake Lift Station Controls Upgrade	Upgrade of RTU controls at each of the seven Donner Lake Lift Stations.
Lift Station Replacement Master Plan	Hire an outside consultant to review and develop a replacement plan for the District's lift stations.
Coachland Wet Well Rehabilitation	Wet well rehabilitation to remove damaged t-lock liner and stop ground water infiltration through concrete structure.
TSD Manhole Rehabilitation Projects	Manhole rehabilitation via cementitious or other lining method.
Server Upgrade	District Data and File Storage Server(s).
Drywell Cathodic Protection Coating	Corrosion prevention cathodic coating for lift station drywells, per the cathodic protection analysis in FY19.
SCADA Hardware Upgrade Admin Building	Replacement of the SCADA computer and PLC due to age of the equipment.
SCADA Software Upgrade	The routine upgrade of SCADA software. Replacement software TBD.
Backup Recovery Server	Upgrade existing server.
Pipeline Rehabilitation	Pipeline rehabilitation via cured-in-place liners.
Install/Replace/Upgrade Existing Long Laterals T.D.	Replace aged or misaligned long laterals in Tahoe Donner acquired by District in 2017.
Alder Creek LS Emergency Overflow Tank Expansion	Review contingency planning and design method to contain a spill in the station failure.
Glenshire Lift Stations Control Upgrades	Upgrade of RTU controls at each of the two Glenshire Lift Stations.
Conversion of Telemetry Phone Lines to Radio	reduce the District's dependence on the leased phone circuit.
Telemetry Radio Upgrade	Due to age of the equipment a bulk telemetry radio upgrade is anticipated.
Easement Acquisitions	Purchase of easements on private properties to ensure access to District facilities.
Donner Lake Sub Station Plumbing Replacement	Replace guide rails, check valves, and stand pipes on the sub stations at Donner Lake.
Security Camera Upgrade	Upgrade of security camera system.
District Website Update	To refresh and upgrade District website periodically.
Replace Pumps and Motors Alder Creek	Evaluate and determine if Alder Creek pumps need replacement due to parts availability.
Schussing Lift Station Control Upgrade	Upgrade of RTU controls at each of the Schussing Lift Station.
EV Charging Stations	Install additional EV stations to service customers at TSD complex.
Donner Creek Bypass System	event of a break.
Operations & Maintenance Department	
Corporation Yard Overhead Door Replacement	Replace aging overhead doors.
Bypass Hose Replacement (6 Inch)	Replace the aged bypass hose that is used for emergency contingencies.
Landscape and Grounds Improvements	Refresh and update landscaping and grounds on an as needed basis.
Paint Lift Station in LAH/MV	Routine repainting of Lahontan 1-6 control panels and generators.
Corporation Yard Defensible Space	Vegetation maintenance to mitigate potential wildfire spread.
Boiler Replacements	Replace aged boilers.
Vehicle and Equipment Replacement & Disposals	See detailed schedule.
Finance and Administrative Services Department	
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.
Building Improvements and Office Equipment	Building improvements and office equipment on an as needed basis.

Table 10
Truckee Sanitary District
Capital Budget - FY25 - 5 Year Plan
Vehicle & Equipment Replacement Schedule - Fund 5

DESCRIPTION	Budget					Total
	FY25	FY26	FY27	FY28	FY29	
2 Ton 5-yd Dump Truck & Sander - O&M/Construction	125,000	-	-	-	-	125,000
Generator 150 kw - Lift Station	125,000	-	-	-	-	125,000
Full Size SUV - District Engineer/Asst GM Vehicle	60,000	-	-	-	-	60,000
Loader w/ 12 ft Blade - O&M/Construction	-	340,000	-	-	-	340,000
Generator - Caterpillar - 75kw - Lift Stations	-	60,000	-	-	-	60,000
Flatbed Equipment Trailer - O&M/Construction	-	30,000	-	-	-	30,000
CCTV Mainline/Lateral Truck - O&M/TV	-	-	500,000	-	-	500,000
Backhoe/Loader	-	-	190,000	-	-	190,000
Generator Onan 20DNAF/Glenshire Gen Shed/Sulfide - LS	-	-	60,000	-	-	60,000
Portable Bypass Pump 6" - Lift Station	-	-	50,000	-	-	50,000
Portable Bypass Pump 3" - Lift Station	-	-	50,000	-	-	50,000
Shoring Carrier Trailer - O&M/Construction	-	-	25,000	-	-	25,000
Hydro-Excavation Combo Cleaner Vacuum Truck	-	-	-	600,000	-	600,000
1/2 Ton Pickup - Engineering/Inspections	-	-	-	75,000	-	75,000
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
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 Truck - Double Cab - On-Call	-	-	-	-	75,000	75,000
1/2 Ton Pickup w/ Camper Shell - O&M	-	-	-	-	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
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
Total Vehicles & Equipment	310,000	430,000	875,000	885,000	675,000	3,175,000

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

	Fund					Total
	1 General Fund	5 Repair/Replace	6 Emergency	4 Capacity	10 SAD 5 Trust	
<u>FY25 Budget</u>						
Revenues	14,000,000	275,000	-	320,000	5,000	14,600,000
Expenditures	11,065,000	2,085,000	-	250,000	-	13,400,000
Cost Allocation	(65,000)	-	-	-	65,000	-
Net Expenditures	11,000,000	2,085,000	-	250,000	65,000	13,400,000
Net Revenues	3,000,000	(1,810,000)	-	70,000	(60,000)	1,200,000
Transfers	(2,810,000)	1,810,000	1,000,000	-	-	-
Net Increase / (Decrease)	190,000	-	1,000,000	70,000	(60,000)	1,200,000
<u>Fund Balance</u>						
Beginning Balance - Projected	6,775,000	6,410,000	4,000,000	2,670,000	65,000	19,920,000
Net Increase / (Decrease)	190,000	-	1,000,000	70,000	(60,000)	1,200,000
Ending Balance	6,965,000	6,410,000	5,000,000	2,740,000	5,000	21,120,000
<u>Target Reserves</u>						
Ending Balance	6,965,000	6,410,000	5,000,000	2,740,000	5,000	21,120,000
Target Reserve	6,730,000	5,117,000	5,000,000	1,705,000	-	18,552,000
Over / (Under)	235,000	1,293,000	-	1,035,000	5,000	2,568,000
Target Achieved	Yes	Yes	Yes	Yes	Yes	Yes

Target Reserve Notes

Fund	Minimum Target Reserve per Reserve Fund Policy
1 - General Fund	60% of projected Fund 1 expenses for FY26 to support cash flow through January 2026
5 - Repair, Replace Upgrade Reserves	60% of projected Fund 5 expenditures for following 5 years (FY25-FY29)
6 - Emergency Contingency Reserves	Board determined at \$5,000,000
4 - Capacity Reserves	60% of projected Fund 4 expenditures for following 5 years (FY25-FY29)
10 - SAD 5 Trust	No minimum target reserve

Appendix A
TRUCKEE SANITARY DISTRICT
FUND 1 - GENERAL FUND - FY 2025
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								5,173,000
40100	Salaries & Wages	1,858,900	67,300	416,400	944,600	126,700	1,623,800	5,037,700
40110	Accrued Benefits	36,100	1,300	7,300	18,700	2,500	32,200	98,100
40105	Directors' Fees	-	-	-	-	-	37,200	37,200
Pension Benefits								1,367,500
40300	Retirement Contrib-EE Classic	56,200	-	9,700	51,200	-	22,500	139,600
40301	Retirement Contrib-ER Classic	107,000	-	18,600	97,600	-	53,600	276,800
40302	Retirement Contrib-ER Pepra	90,900	5,200	20,000	26,900	9,800	94,500	247,300
40305	Retirement Contrib-ER UAL Classic	28,300	1,000	6,300	14,400	1,900	24,700	76,600
40306	Retirement Contrib-ER UAL Pepra	3,100	100	700	1,600	200	2,700	8,400
40307	Retirement Contrib-ER ADP Classic	-	-	-	-	-	-	-
40330	Retirement Contrib-Supp PEPRA 401(a)	43,300	3,300	9,100	8,500	6,500	48,100	118,800
40320	Retirement Contrib-CEPPT	184,500	6,700	41,300	93,800	12,600	161,100	500,000
Health & Other Benefits								1,441,200
40401	Med Ins Prem-EE/BOD	415,000	30,000	92,300	163,500	35,200	390,900	1,126,900
40402	Med Deduct Reimb-EE/BOD	35,000	2,000	6,000	14,000	2,300	34,700	94,000
40403	Med Out-of-Pocket-EE/BOD	7,000	400	1,200	2,800	400	7,000	18,800
40404	Dental Ins Prem-EE/BOD	28,200	2,200	6,700	11,700	2,600	25,700	77,100
40405	Vision Exam Reimb-EE/BOD	13,600	800	2,300	5,500	900	13,500	36,600
40406	Glasses/Contct Reimb-Active Emp	-	-	-	-	-	-	-
40407	Eye Surgery Reimb-Active Empl	-	-	-	-	-	-	-
40420	Life Ins Prem-Active EE	10,500	700	2,600	4,400	800	7,900	26,900
40440	Safety & Wellness Incentive Program-EE/BOD	-	-	-	-	-	35,000	35,000
40445	Physicals, Vaccines, DTAP	-	-	-	-	-	4,300	4,300
40610	Car & Phone Allowance	-	-	-	3,100	-	17,300	20,400
40430	Directors' 457 Deferred Comp	-	-	-	-	-	1,200	1,200
Payroll Burden								475,200
40200	Social Security Tax	115,100	4,200	25,800	56,300	7,900	93,400	302,700
40210	Medicare Tax	27,000	1,000	6,000	13,700	1,800	24,000	73,500
40221	Workers' Comp Ins	62,900	2,300	14,100	10,700	4,300	4,700	99,000
Retiree Health/OPEB								265,000
40500	OPEB / CERBT Contribution	(64,600)	(2,300)	(14,500)	(32,800)	(4,400)	(56,400)	(175,000)
40501	Med Ins Prem-Retired Empl/Dir	162,400	5,900	36,400	82,500	11,100	141,700	440,000
40502	Dental Ins Prem-Ret Emp/Dir	-	-	-	-	-	-	-
40505	Med Ded Reimb-Retired Empl/Dir	-	-	-	-	-	-	-
Liability Insurance								300,000
41000	General Liability Insurance	-	-	-	-	-	300,000	300,000
Repairs & Maintenance								405,000
43020	Repairs & Maintenance (R&M)	200,000	5,000	120,000	-	75,000	5,000	405,000
Utilities & Phone Services								237,300
44060	Mobile Phones/Data Plns/Pagers	1,500	300	-	10,000	-	2,000	13,800
44010	Electricity & Water	-	500	105,000	-	-	-	105,500
44020	Natural Gas	-	55,000	-	-	-	-	55,000
44030	Solid Waste Disposal	-	10,000	-	-	-	-	10,000
44040	Wastewater Treatment Fees	-	14,000	-	-	-	-	14,000
44050	Propane	-	-	4,000	-	-	-	4,000
44070	Telephone Expense	-	-	15,000	-	-	15,000	30,000
44080	Internet Service	-	-	-	-	-	5,000	5,000
Ad Valorem & Sewer Svc Billing Fees to Counties								165,000
41070	Billing Expense	-	-	-	-	-	165,000	165,000
Supplies - Operating & Safety								91,000
42010	Operating Supplies/Equip/Furniture	45,000	15,000	3,500	2,500	20,000	5,000	91,000
Fuel Expense								76,000
42000	Fuel Expense-Unleaded & Diesel	55,000	-	12,500	6,500	-	2,000	76,000
Outside Services								347,500
42050	Outside Services-General	30,000	20,000	20,000	177,500	-	100,000	347,500
Legal Fees								100,000
41060	Legal Fees	-	-	-	-	-	100,000	100,000
Travel/Training/Mtgs: Gen-Safety-EE Relations								239,400
41090	Travel/Training/Meetings	25,000	300	10,000	25,000	1,000	105,000	166,300
41120	Employee Relations	3,000	100	1,500	1,000	-	30,000	35,600
41125	Public Education & Outreach	-	-	-	-	-	35,000	35,000
42035	LogoWear	-	-	-	-	-	2,500	2,500
Info Tech & Office Expenses								230,000
41030	Computer Hardware Expense	-	-	-	50,000	-	-	50,000
41020	Software Expense	-	-	-	165,000	-	-	165,000
41010	Office Supplies	-	-	-	-	-	15,000	15,000
Dues, Subscriptions & Memberships								50,600
41040	Dues/Subscriptions/Memberships	10,000	200	1,500	3,500	400	35,000	50,600
Uniforms, Linen & Safety Boots								21,700
40615	Uniform Allowance	-	-	-	-	-	-	-
42030	Uniforms	15,000	500	700	1,000	500	-	17,700
42040	Linen Service	-	-	-	-	4,000	-	4,000
Environmental Permits & Fees								40,500
42060	Environmental Permits & Fees	15,000	2,000	22,500	-	1,000	-	40,500
LAFCO Expenses								12,000
41150	LAFCO Expenses	-	-	-	-	-	12,000	12,000
Printing & Publications								25,000
41050	Printing & Publication Expense	-	-	-	-	-	25,000	25,000
Misc-Current YR								2,100
41080	Bank Charges	-	-	-	-	-	400	400
45000	Other Expense	100	-	500	300	-	800	1,700
TOTAL EXPENDITURES		3,620,000	255,000	1,025,000	2,035,000	325,000	3,805,000	11,065,000

**APPENDIX B
TABLE 1**

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

REVENUE ASSUMPTIONS

User Fees		No Increases FY25 - FY34
User Fees		4.50% Increase FY35 - FY39
User Fees		No Increases FY40 - FY44
Property Tax	% Year over Year	3.00%
Users (# of EDUs)	% Year over Year	1.00%
Interest Earned	ROI	2.50%

EXPENSE ASSUMPTIONS

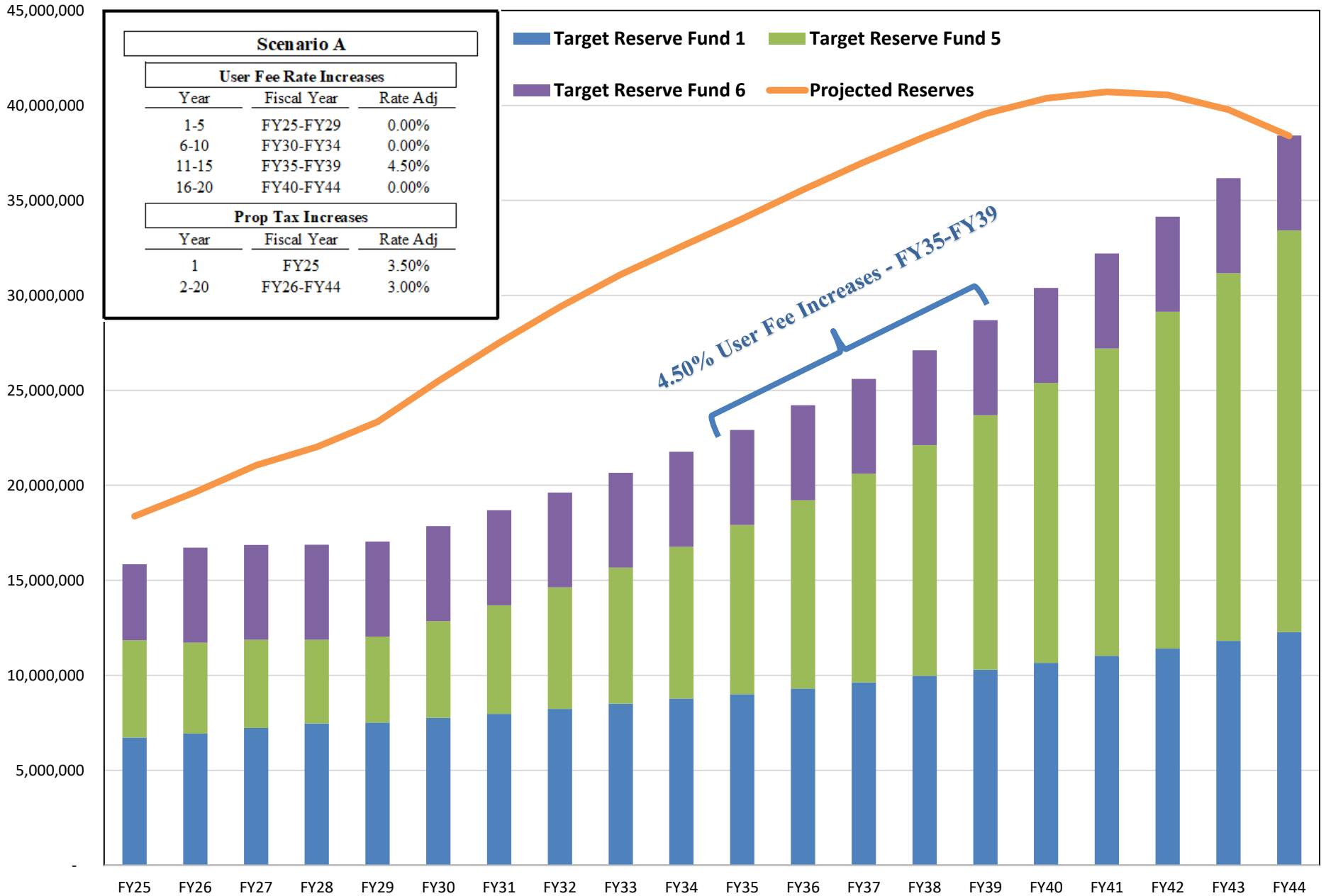
Salaries	% Year over Year	3.00%
ER Taxes, Med Ins, Acc Benes	% Year over Year	5.00%
CERBT	Based on OPEB PECTA & Trust Fund Balance	
Retiree Bill Premiums	Based on Actuarial Rpt through FY30, then 4% Thereafter	
Retirement - Normal Costs	Based on CalPERS Valuation Rpt Percentages	
Retirement - UAL	Based on \$0.5M CEPPT Contribution for FY25, at \$600,000 for anticipated CalPERS assumption change and CalPERS FY23 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


APPENDIX B


TRUCKEE SANITARY DISTRICT 20 Year Reserve Fund Forecast



MEMORANDUM

DATE: June 10, 2024

TO: Blake R. Tresan, General Manager 

FROM: Sarah K. Bergeron, District Engineer 

CC: Mark Wasley, Finance and Administrative Services Manager

SUBJECT: SAD 5 & MVI EXPENSE ALLOCATION FOR FY 2025

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 remained from the initial assessments were Sewer Assessment District 5 (SAD 5) and the Martis Valley Interceptor (MVI). The remaining assessment monies from these areas were 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 provide an expense allocation percentage for expenses that should be allocated to the SAD 5 and MVI Funds for FY 2025.

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 that should be allocated from the SAD 5 and MVI for FY 2025, 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 expenses be allocated to SAD 5 and MVI in FY 2025, respectively.

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	4,610*	86	1.87	34	0.74
Length of Pipe Segments, ft	1,218,103*	22,382	1.84	9,493	0.78
Inch Diameter Mile	1557*	26	<u>1.67</u>	<u>33</u>	<u>2.12</u>
Average			1.79		1.21

*Number includes only "TSD Active" pipes.