



**TRUCKEE SANITARY DISTRICT  
FISCAL YEAR 2020  
ANNUAL BUDGET**



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

**Adopted June 20, 2019**

**TRUCKEE SANITARY DISTRICT  
FISCAL YEAR 2020  
ANNUAL BUDGET**

***Board of Directors:***

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

***District Budget Workgroup:***

Blake R. Tresan, PE, General Manager  
Raymond Brown, PE, Assistant General Manager/District Engineer  
Mark Wasley, Finance & Administrative Services Manager  
Eric Sundale, Operations and Maintenance Superintendent  
Angie Rea, Accountant  
Kara Raymer, Senior Accounting Technician  
Laura Small, Administrative Specialist

***District Administrative Office:***

12304 Joerger Drive  
Truckee, California 96161  
Telephone: (530) 587-3804  
Fax: (530) 587-1340  
[www.truckeesan.org](http://www.truckeesan.org)

## **TABLE OF CONTENTS**

### **RESOLUTION ADOPTING THE FY20 ANNUAL BUDGET**

### **BUDGET MEMORANDUM FROM GENERAL MANAGER**

#### **TABLES**

1. Annual Budget – All Funds – FY20
2. Operating Budget – Fund 1 - FY20 - Comparison to FY19 Budget and Projected Actuals
3. Staffing Plan – FY20
4. Outside Services Budget Detail – FY20
5. Computer Hardware, Software, IT Support Budget Detail – FY20
6. Travel & Training Budget Detail – FY20
7. Capital Improvement 5-Year Budget Plan – FY20 thru FY24
8. Description of Capital Projects – FY20
9. Fleet and Equipment Replacement Schedule
10. Fund Balance – FY20

#### **APPENDICES**

- A. Operating Budget Detail – Budgeted Expenditures By Category, Code and Department
- B. SAD 5 & MVI Fund Transfer Memorandum
- C. Allocation of Fund 4 Monies to Capital Improvement Project for the FY20 Budget
- D. 20-Year Reserve Fund Forecast Table, Assumptions and Chart

**TRUCKEE SANITARY DISTRICT  
BOARD OF DIRECTORS  
RESOLUTION NO. 2019-113**

**A RESOLUTION ADOPTING THE OPERATING AND CAPITAL  
BUDGET FOR FISCAL YEAR 2019-2020  
FOR THE TRUCKEE SANITARY DISTRICT**

**WHEREAS**, the staff of the Truckee Sanitary District have developed a budget for fiscal year 2019-20; 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 2019-20; 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 2019-2020.

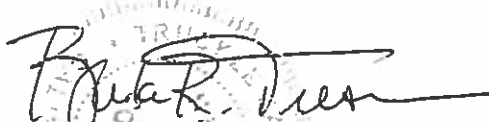
**PASSED AND ADOPTED** by the Board of Directors of the Truckee Sanitary District at a regular meeting of the Board, held on the 20th day of June, 2019, by the following roll call vote:

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



**Dennis Anderson**  
President of the Board of Directors

**ATTEST:**



**Blake R. Trešan,**  
Board Secretary

# MEMORANDUM

**Date:** June 20, 2019  
**To:** Board of Directors  
**From:** Blake R. Tresan, General Manager  
**Subject:** FISCAL YEAR 2020 ANNUAL BUDGET

---



The purpose of this memorandum is to present the annual budget for the Truckee Sanitary District (“District”) for fiscal year 2020 (FY20). The budget lays out a financial map for the District for the period July 1, 2019 through June 30, 2020. The budget is broken up into two categories: operations and capital, and tracks changes in the six District reserve funds. This year’s budget was developed, consistent with previous years, with the goal of enabling the District to provide its customers with the highest level of service consistent with the prudent management of public funds.

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

This budget was prepared as a group effort and the work of Mark Wasley, Raymond Brown, Eric Sundale, Angie Rea, Kara Raymer, and Laura Small should be acknowledged and commended. Of course, every employee of the District deserves recognition for their hard work and continued success at protecting the public health and the environment while providing District customers the highest level of service consistent with the prudent management of public funds.

## **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’s wastewater is conveyed to the Tahoe-Truckee Sanitation Agency’s (T-TSA) plant for treatment and reclamation.

The District’s boundaries encompass an area of approximately 39 square miles. The District serves about 11,583 residential units and approximately 550 commercial accounts. Service is provided through approximately 211 miles of gravity mains, 16 miles of force mains, 184 miles of laterals and 43 lift stations.

The 5-member Board of Directors 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.

### **FY19 Highlights**

Before presenting the FY20 budget, it is worthwhile to highlight a few items in current FY19 that differed materially from the budget:

- Operating Revenue is projected to be \$0.3 million greater than FY19 budget, while Operating Expenditure are projected to be \$0.4 million less than FY19 budget before discretionary payments to CalPERS Pension Unfunded Accrued Liability (UAL) and the Retiree Health Trust Fund (CERBT).
- In April, 2019, the Board adopted a revised Reserve Fund Policy that set 90% funded status targets for the District's Pension and Retiree Health liability.
- To move closer to the 90% funded status target for pension liability, in April, 2019, the Board approved an increase in the District's payment towards its CalPERS Pension UAL from \$500,000 budget to \$1 million, with the entire payment funded out of the General Fund net revenues. The District anticipates savings of approximately \$1.86 million in interest payments as a result of this discretionary payment. The \$1 million payment was made in April 2019.
- To move closer to the 90% funded status target for retiree health liability, in April, 2019, the Board approved an increase in the Other Post Employment Benefit (OPEB) payment to the Retiree Health Trust Fund from \$1,000 budget to \$225,000 with the entire payment funded out of General Fund net revenues. The \$225,000 payment was made in May 2019.
- In April, 2019, the Board approved a General Fund transfer of \$200,000 into the District's emergency contingency reserve fund, replenishing this board designated fund to the target goal of \$3 million.

### **FY20 Budget Highlights**

#### **FY20 Operating Budget**

- Net operating revenues for FY20 are estimated to be \$0.86 million of which \$0.50 million are projected to be transferred to Fund 5 to cover capital expenditures.
- Operating revenues for FY20 are budgeted at \$9.7 million (4.87% increase over FY19 projected actuals, 8.23% increase over FY19 budget).
  - User fee revenue is budgeted at \$3.51 million in FY20 (9% increase over FY19 projected actuals). The increase is due to a board approved 8% increase in user fee rates and an estimated 1% increase in the District's customer base. User fees represent 36% of total operating revenues.

- Property tax revenue is budgeted at \$5.92 million for FY20 (3% increase over FY 19 projected actuals). Property taxes represent 61% of total operating revenues.
- Operating expenses for FY20 are budgeted at \$9.02 million (1.88% increase over FY projected actuals, 5.81% increase over FY19 budget), including:
  - \$4.0 million in salaries and wages;
  - \$3.1 million in benefits and payroll burden;
  - \$0.26 million in other post-employment benefits (OPEB);
  - \$1.63 million in other operating costs.
- Capital expenditures in FY20 are estimated to be \$2.49 million, including:
  - \$0.29 million in collections system improvements;
  - \$1.40 million in building improvements;
  - \$0.53 million in vehicle purchases.
- Total District reserves in FY20 are estimated to decrease by approximately \$1.35 million to approximately \$14.22 million.

### **FY20 Budget Details**

A detailed description of the annual budget for FY20 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 FY20, staff anticipates an increase in Fund 1 operating revenues of approximately \$0.45 million and a slight increase of \$0.17 million in expenditures over the current year projected actuals (Table 2).

### **Operating Revenues**

Overall, operating revenues are budgeted at \$9.7 million (4.87% increase from FY projected actuals, 8.23% increases from FY19 budget) – an increase of \$0.45 million over FY19 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, increased user fee rates and a slight increase in interest income due to rising interest rates. For FY20, a board-approved 8% increase in user fee rates will be enacted, and, along with an estimated 1% increase in our customer base, the anticipated result is a roughly 9% increase in user fees over FY19 projected actuals. Staff is budgeting a 3% increase in property tax revenues over FY19. While fluctuating widely on a year-to-year basis, property tax revenues over the past 25 years have shown an average annual increase of almost 7% per year. Staff supports using the 3% increase as a conservative assumption for the FY20 budget.

## Operating Expenditures

Operating expenses in the FY20 are budgeted at \$9.02 million (1.88% increase from FY 19 projected actuals, 5.81% increase from FY19 budget) – an increase of \$0.17 million over FY19 projected actuals. The increase is mostly attributable to a fractional FTE staffing increase coupled with an assumed 2.75% cost of living (COLA) salary increase and its corresponding impact on pension and other payroll burden expenditures.

*Staffing:* According to the staffing plan, a total of 41.42 full-time-equivalents (FTEs) will be employed by the District during the coming year (Table 3). This is an increase of less than one FTE from FY19. During FY19, the Operations and Maintenance Superintendent retired and was replaced by a Collection System and Maintenance Supervisor. The Finance Director position remained unfilled for a portion of the year culminating in a successful recruitment of a new Finance & Administrative Services Manager in March 2019. A budgeted change for FY20 is one new position during Q4 – an Associate Engineer in the Engineering Department. Temp positions include two field maintenance workers during the summer months. A 2.75% cost of living adjustment 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 and vision insurance. Overall, these benefits are estimated to cost the District \$3.09 million in FY20 (5% decrease from FY 19 projected actuals, 9% increase from FY19 budget). The reason for the discrepancy in comparison to FY19 is due to a one-time board approved FY19 unbudgeted additional discretionary payment of \$0.5M against the CalPERS Pension unfunded accrued liability (UAL).

*Pension Contributions:* For FY20, the District is anticipated to make \$1.54M in pension contributions to CalPERS. These contributions include \$424,000 in employer normal costs, \$203,000 in Classic employee normal costs paid for by the District, \$415,000 in required payments against the District's UAL, and a \$500,000 additional discretionary payment against the UAL. Additional payments against the UAL are estimated to save the District approximately \$2 in interest for every \$1 spent. Excluding additional discretionary payments, the District's contributions to CalPERS in FY20 are anticipated to increase 15% over FY19 projected actuals. As the ratio of PEPRA to Classic employees grows over time, the District's pension costs will decrease.

*Health Insurance:* The District provides health insurance for its employees through a contract with CalPERS. In FY20, medical health insurance premiums are anticipated to increase by 7.24%. The overall health insurance costs for the District are estimated to be \$892,000 in FY20, an increase of \$87,000 over projected FY19 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 \$390,000 in FY20, a slight decrease over FY19. The decrease in total payroll burden costs is mainly a result of lower workers compensation insurance costs based on the District's strong safety record.



*Dental & Vision Coverage:* The District provides dental insurance for its employees. The cost of the premiums for dental insurance are projected to increase 7% in FY20 over FY19 premiums, totaling \$61,000 in FY20. Vision coverage is provided through a District sponsored reimbursement program. For FY20, vision costs are anticipated to remain approximately unchanged from FY19.

*Retiree Benefits:* District retirees are eligible for health insurance benefits in accordance with a vesting program. Post 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 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 FY20, the District anticipates expenditures for health insurance premiums for retirees to be \$239,000, a 12% increase over FY19, primarily driven by anticipated increases in health insurance premium rates, not additional retirees. For FY20, the District anticipates contributing \$20,000 to the CERBT, a substantial decrease over previous years because the CERBT is approaching the 90% funding status target. 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 post-retirement benefits and the CERBT.

*Outside Services:* Staff anticipates a \$45,000 increase in Outside Service costs in FY20 over the FY19 budget. Services to be provided in this category can be seen in Table 4 and include a connection fee study, executive coaching, the annual financial audit, smoke testing, landscaping services, and other general engineering services.

*IT Hardware/Software:* Information technology costs for both hardware and software are anticipated to decrease in FY20 by approximately \$6,000 over FY19 projected actuals. The majority of the IT costs are for routine annual software licensing and maintenance with some monies targeted for additional desktop work stations and mobile devices (Table 5).

*Staff Training/Travel:* Staff training/travel costs (Table 6) are projected to be approximately \$19,000 higher than the FY19 budget. Local and off-site trainings, conferences, and workshops are budgeted for operations, engineering, and administrative staff in FY20.

*Operating Supplies:* \$115,000 of the \$170,000 budgeted in operating supplies is for Phase 3 of the office furniture upgrade project, \$90,000 of which was rolled over from FY19.

### Net Operating Revenues

Overall, operating revenues are budgeted to exceed expenditures by \$0.86 million. Of this total, \$0.50 million is budgeted to be transferred to Fund 5 to help cover future capital expenditures and \$0.36 million is anticipated to remain in Fund 1 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 items are defined as items with costs that exceed \$5,000 and have a lifetime of greater than one year.

### 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 FY20, connection fees are anticipated to generate \$0.21 million in revenue. Interest earnings are anticipated to generate over \$0.16 million. The majority of the District's cash reserves are kept in LAIF, yielding slightly more than 2% interest over the last year, with a 2% interest rate assumption for FY20. Approximately \$0.50 million are anticipated to be transferred to Fund 5 from Fund 1 to help cover future capital expenditures.

### Capital Budget Expenditures

Staff has developed a detailed 5-year capital improvement plan that includes approximately \$2.5 million in capital expenditures for FY20 and \$7.1 million over the next five years (Table 7). Significant capital expenditures projected for FY20 include \$530,000 in vehicle purchases, \$125,000 in manhole repairs, and \$1,400,000 for the expansion of the District's Vehicle Storage Facility. A brief description of each capital project can be seen in Table 8. A detailed schedule of proposed vehicle and equipment purchases can be seen in Table 9.

### **Fund Balances**

The District estimates it will start FY20 with approximately \$15.6 million in cash reserves. These District reserves are held in six funds as described below. Table 10 shows the changes in fund reserves anticipated during the upcoming year. Overall, it is estimated that the District will end the year with \$14.2 million in cash reserves, a decrease of approximately \$1.35 million during FY20. The District has a reserve fund policy that sets minimum target amounts for each fund. A copy of the Reserve Fund policy is available on the District's website and was most recently reviewed and adopted in April 2019. It is estimated that all funds will meet or exceed target balances during FY20.

### Fund 1 – General Fund

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 of budgeted operating expenditures.

### Fund 2 – The Martis Valley Interceptor (MVI) Fund

Monies in Fund 2 or the MVI Fund are restricted for use on the Martis Valley Interceptor, the approximately 2-mile long outfall pipeline that runs from Hwy 267 and Truckee Airport Road to the T-TSA interceptor. This fund originated at the time the Lahontan subdivision was developed. The District performs approximately \$36,000 of maintenance work on the MVI each year. These monies are originally drawn from the General Fund and later allocated from Fund 2. The method for determining this allocation can be seen in Appendix B. There is no minimum target balance for this fund and Fund 2 will be utilized until fully depleted.

### Fund 4 - Capital Reserve Fund

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 or improve existing pipelines with unconnected services. A memorandum outlining the transfer of funds from Fund 4 for capital projects can be seen in Appendix C. 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

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 \$5,000 and a lifetime of one year or more). This fund has no revenue source other than interest earnings and the transfer of any 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

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

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 \$54,000 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 D). The 20 year model is a forecasting 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 D as is a chart depicting target and projected reserves. Trends to highlight include:

- 8% anticipated annual user fee increase through FY22; 4.0% annual user fee increase FY30 – FY34;
- Gradual, steady anticipated decreases in Classic pension retirement expenses with gradual, smaller anticipated increases in PEPRA pension retirement expenses;
- Anticipated steady increases in capital improvement expenses, Reserve Fund 5;
- Anticipated depletion of Reserve Fund 2 – Martis Valley Interceptor in FY22;
- Anticipated depletion of Reserve Fund 10 – SAD 5 Trust in FY26.

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 model, with the assumptions included, indicate the District's continued strong financial position moving forward.

## Conclusion

The FY20 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 \$1.35 million, mainly driven by larger than usual capital projects projected for FY20 as well as an \$0.5 million additional discretionary payment against the District's CalPERS Pension Liability; this outcome results in an 8.6% reduction in cash reserves from \$15.6 to \$14.2 million. Overall, the District's financial position remains stable, with no debt and cash reserves that meet or exceed the targets set forth in the District's Reserve Policy. 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 - FY 2020**

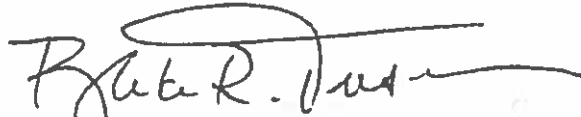
<b>FUND</b>	<b>AMOUNT</b>
<b>UNRESTRICTED FUNDS</b>	
<b>Fund 1 - General Fund</b>	
REVENUE	
User Fees & Penalties	\$3,511,000
Fees for Services	\$65,000
Tax Revenue - Ad Valorem	\$5,924,000
Interest Earned	\$160,000
Rents & Leases	\$4,000
Miscellaneous Income	\$65,000
TOTAL REVENUE	<u>\$9,729,000</u>
EXPENDITURES	
Salaries & Wages	\$4,042,000
Fringe Benefits - Active Employees	\$2,701,700
Payroll Burden	\$389,900
Retiree Health/OPEB	\$259,100
Liability Insurance	\$155,000
Repairs & Maintenance	\$292,500
Utilities & Phone Services	\$152,300
Ad Valorem & Sewer Svc Billing Fees to Counties	\$125,000
Supplies - Operating & Safety	\$170,000
Fuel Expense - Unleaded & Diesel	\$60,500
Outside Services	\$226,700
Legal Fees	\$40,000
Travel/Training & EE Relations	\$127,100
Info Tech & Office Expenses	\$157,700
Dues, Subscriptions & Memberships	\$36,000
Uniforms, Linen & Safety Boots	\$26,900
Environmental Permits & Fees	\$23,500
LAFCO Expenses	\$7,000
Printing & Publications	\$20,000
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	\$4,800
EXPENDITURE SUBTOTAL	<u>\$9,018,000</u>
<i>Cost Allocations to Funds 2, 4, 5 &amp; 10</i>	<u>\$150,000</u>
TOTAL EXPENDITURES	<u>\$8,868,000</u>
<i>Transfer to Fund 5</i>	<u>(\$497,000)</u>
GENERAL FUND NET INCOME (LOSS)	<u>\$364,000</u>
<b>BOARD DESIGNATED FUNDS</b>	
<b>Fund 5 - Major Improvement Reserve Fund</b>	
REVENUE	\$80,000
EXPENDITURES	(\$970,000)
Transfers from Fund 1	\$497,000
FUND 5 NET INCOME (LOSS)	<u>(\$393,000)</u>
<b>Fund 6 - Emergency Contingency Reserve Fund</b>	
REVENUE	\$0
EXPENDITURES	\$0
Transfers	\$0
FUND 6 NET INCOME (LOSS)	<u>\$0</u>

**TABLE 1**

**TRUCKEE SANITARY DISTRICT  
ANNUAL BUDGET - ALL FUNDS - FY 2020**

<b>FUND</b>	<b>AMOUNT</b>
<b>RESTRICTED FUNDS</b>	
<b>Fund 2 - Martis Valley Interceptor Fund</b>	
REVENUE	\$1,000
EXPENDITURES	(\$36,000)
Transfers	\$0
<b>FUND 2 NET INCOME (LOSS)</b>	<b>(\$35,000)</b>
<b>Fund 4 - Capital Reserve Fund</b>	
REVENUE	
Connection Fees	\$206,000
Interest	\$75,000
<b>TOTAL REVENUE</b>	<b>\$281,000</b>
EXPENDITURES	(\$1,518,000)
Transfers	\$0
<b>FUND 4 NET INCOME (LOSS)</b>	<b>(\$1,237,000)</b>
<b>Fund 10 - SAD 5 Trust Fund</b>	
REVENUE	\$7,000
EXPENDITURES	(\$54,000)
Transfers	
<b>FUND 10 NET INCOME (LOSS)</b>	<b>(\$47,000)</b>
<b>TOTAL REVENUE - ALL FUNDS</b>	<b>\$10,098,000</b>
<b>TOTAL EXPENDITURE - ALL FUNDS</b>	<b>(\$11,446,000)</b>
<b>NET INCOME (LOSS) - ALL FUNDS</b>	<b>(\$1,348,000)</b>

APPROVED BY BOARD OF DIRECTORS AT THEIR REGULAR MEETING- JUNE 20, 2019



Blake R. Tresan, Secretary to the Board

TABLE 2

**TRUCKEE SANITARY DISTRICT**  
**FUND 1 - OPERATING BUDGET - FY 2020**  
**COMPARISON TO FY19 BUDGET AND ACTUALS**

	APPROVED BUDGET FY 2019	PROJECTED ACTUALS FY 2019	BUDGET FY 2020	FY 2020 Budget to FY 2019 Budget \$ %	FY 2020 Budget to FY 2019 Actuals \$ %
<b>REVENUE</b>					
User Fees & Penalties	\$3,218,000	\$3,219,000	\$3,511,000	\$293,000 109%	\$292,000 109%
Fees for Services	\$80,000	\$61,000	\$65,000	(\$15,000) 81%	\$4,000 107%
Tax Revenue - Ad Valorem	\$5,580,000	\$5,751,000	\$5,924,000	\$344,000 106%	\$173,000 103%
Interest Earned	\$50,000	\$122,000	\$160,000	\$110,000 320%	\$38,000 131%
Rents & Leases	\$4,000	\$4,000	\$4,000	\$0 100%	\$0 100%
Miscellaneous Income	\$57,000	\$120,000	\$65,000	\$8,000 114%	(\$55,000) 54%
<b>TOTAL REVENUE</b>	<b>\$8,989,000</b>	<b>\$9,277,000</b>	<b>\$9,729,000</b>	<b>\$740,000 108%</b>	<b>\$452,000 105%</b>
<b>EXPENDITURES</b>					
Salaries & Wages	\$3,867,000	\$3,752,000	\$4,042,400	\$175,400 105%	\$290,400 108%
Fringe Benefits - Active Employees	\$2,422,000	\$2,862,000	\$2,701,400	\$279,400 112%	(\$160,600) 94%
Payroll Burden	\$400,000	\$392,000	\$389,900	(\$10,100) 97%	(\$2,100) 99%
Retiree Health/OPEB	\$256,000	\$442,000	\$259,000	\$3,000 101%	(\$183,000) 59%
Liability Insurance	\$155,000	\$142,000	\$155,000	\$0 100%	\$13,000 109%
Repairs & Maintenance	\$284,000	\$217,000	\$292,500	\$8,500 103%	\$75,500 135%
Utilities & Phone Services	\$151,000	\$150,000	\$152,300	\$1,300 101%	\$2,300 102%
Ad Valorem & Sewer Svc Billing Fees to Counties	\$122,000	\$122,000	\$125,000	\$3,000 102%	\$3,000 102%
Operating Supplies	\$142,000	\$104,000	\$170,000	\$28,000 120%	\$66,000 163%
Fuel Expense - Unleaded & Diesel	\$64,000	\$61,000	\$60,500	(\$3,500) 95%	(\$500) 99%
Outside Services	\$224,000	\$182,000	\$226,700	\$2,700 101%	\$44,700 125%
Legal Fees	\$40,000	\$50,000	\$40,000	\$0 100%	(\$10,000) 80%
Travel/Training/Mtgs; Gen-Safety-EE Relations; Public Outreach	\$110,000	\$99,000	\$128,600	\$18,600 117%	\$29,600 130%
Info Tech & Office Expenses	\$176,000	\$164,000	\$157,700	(\$18,300) 90%	(\$6,300) 96%
Dues, Subscriptions & Memberships	\$34,000	\$35,000	\$36,000	\$2,000 106%	\$1,000 103%
Uniforms, Linen & Safety Boots	\$31,000	\$16,000	\$25,400	(\$5,600) 82%	\$9,400 159%
Environmental Permits & Fees	\$12,000	\$32,000	\$23,500	\$11,500 196%	(\$8,500) 73%
LAFCO Expenses	\$7,000	\$7,000	\$7,000	\$0 100%	\$0 100%
Printing & Publications	\$21,000	\$22,000	\$20,000	(\$1,000) 95%	(\$2,000) 91%
Miscellaneous (Prior Yr Credits, Bank Fees, Other)	\$5,000	\$1,000	\$4,800	(\$200) 96%	\$3,800 480%
<b>EXPENDITURE SUBTOTAL</b>	<b>\$8,523,000</b>	<b>\$8,852,000</b>	<b>\$9,018,000</b>	<b>\$495,000 106%</b>	<b>\$166,000 102%</b>
<i>Fund Transfers to: Funds 2, 4, 5, 6 &amp; 10</i>					
<i>Fund 2 share 1.23% of Dept 1000</i>				(\$34,000)	(\$30,000)
<i>Fund 10 share 1.82% of Dept 1000</i>				(\$49,000)	(\$44,000)
<i>Fund 5 - Major Improvement Reserve Fund</i>				(\$20,000)	\$0
<i>Fund 6 -Contingency Reserve Fund</i>					\$200,000
<i>Total Cost Allocations</i>				(\$103,000)	\$126,000
<b>TOTAL EXPENDITURES</b>	<b>\$8,420,000</b>	<b>\$8,978,000</b>	<b>\$8,868,000</b>		
<i>Total Income (Loss) Transfer to Fund 5</i>				\$324,000	\$0
<b>GENERAL FUND NET INCOME (LOSS)</b>	<b>\$245,000</b>	<b>\$299,000</b>	<b>\$364,000</b>		

**TABLE 3**

**TRUCKEE SANITARY DISTRICT  
STAFFING PLAN - FY 2020**

	FULL-TIME EQUIVALENT								Projected FY 2019	Budget FY 2020
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018			
<b>DEPARTMENT</b>										
1000 - Operations & Maintenance	15	14.56	15.66	15.48	14.64	16.00	18.25	18.00	18.00	
1300 - Building & Grounds	1	1	1	1	1	1	1	1	1.00	
2000 - Lift Stations	3	3	2.67	2.58	3	3	3	3	3.00	
4000 - Engineering	7	6.85	6.34	6.09	7.25	6.75	7.00	7.00	7.42	
5000 - Equipment Maintenance	2	1.83	1	1	1	1	1	1	1.00	
6000 - Administration (incl Finance)	9	9	8.92	9.66	10.25	7	6	7	11.00	
6500 - Finance						4	4	4	N/A	
<b>TOTAL FTE</b>	<b>37</b>	<b>36.24</b>	<b>35.59</b>	<b>35.81</b>	<b>37.14</b>	<b>38.75</b>	<b>40.25</b>	<b>41.00</b>	<b>41.42</b>	

During FY 2019

Operations includes two temporary laborers who became permanent employees in FY19

Budget FY 20

Operations includes 2 temp laborers July - Oct 2019 (.66); 2 temp laborers May-June 2020 (.33)

Engr includes 1 intern May - June 2020 (.17); 1 Engineering Associate Apr-June 2020 (.25)

Finance is merging with Administration to form one department



**TABLE 4**  
**TRUCKEE SANITARY DISTRICT**  
**FUND 1- GENERAL FUND - FY 2020**  
**OUTSIDE SERVICES BUDGET DETAIL**

<b>Department</b>	<b>Description (GL 42050)</b>	<b>Amount</b>
<b>1000-Operations &amp; Maintenance</b>		
	Misc Testing/Compaction	1,000
	KWA Safety	5,000
	CHH Auditometric Testing	1,000
	Air test and Seal	8,500
		15,500
<b>1300-Buildings &amp; Grounds</b>		
	CA Security Alarm	3,000
	Fire Protection - Overhead Fire	3,000
	Fuel Pump Calibration	1,000
	Window Cleaning	3,000
	Landscaping Service for Corp Yard	15,000
		25,000
<b>2000-Lift Stations</b>		
	Sierra Controls - SCADA/Telemetry Assistance	5,000
	HVAC Boiler Service	3,000
		8,000
<b>4000-Engineering</b>		
	Engineering (Design, Planning, CEQA, Code, etc.)	20,000
	Geotechnical Services	5,000
	IT Support	10,000
	Smoke Testing	20,000
	Printing Services for survey	10,000
	WEST consulting (Dump Closure)	2,500
	DTSC fees (Dump Closure)	2,000
		69,500
<b>6000-Administration</b>		
	Answering Service	2,000
	DATCO Testing	2,700
	Flex-Plan/Navia Benefits	9,500
	Connection Fee Study	20,000
	Wellness Admin Navia Fees	2,000
	HR/Admin Assistance - HRC	5,000
	Management/Supervisory Development - CEO	15,000
	HR Assistance - Koff	10,000
	Truckee River Watershed Council - Weed Warrior	4,000
	Actuarial Services - TCS	8,500
	Audit - DHS	30,000
		108,700
<b>Total Outside Services</b>		226,700

**TABLE 5**

**TRUCKEE SANITARY DISTRICT  
FUND 1 - GENERAL FUND - FY 2020  
COMPUTER HARDWARE, SOFTWARE, IT SUPPORT BUDGET DETAIL**

<b>Category</b>	<b>Description (GL 41020 &amp; 41030)</b>	<b>Amount</b>
<b>Hardware upgrade/purchase - 01-4000-41030</b>		
	7 Workstations	8,400
	5 Computer monitors	3,000
	3 Mobile Tablets/Accessories	2,400
	Rack mount KVA console	1,000
	10 UPS replacements	1,400
	2 Wifi access points	500
	SFP Fiber Modules	3,500
	Network switches	1,500
	Contingency	10,000
<b>Total Hardware</b>		<b>31,700</b>
<b>Software Expense - 01-4000-41020</b>		
Annual Maintenance		
	ClearSCADA	6,800
	Citrix Server (SCADA)	1,100
	ESRI	12,500
	Granite	8,400
	Lucity	16,500
	InfoSewer	1,500
	ParcelQuest	5,500
	PC TopKat-Gasboy	250
	Rockwell Engineering	4,500
	Springbrook	15,500
	Domain Name renewal	200
	Focused Web - Website	850
	Win911/Mobile	1,000
	Civic Clerk	6,400
	FWI - Board Agenda Posting Software	1,500
	SDS Inventory Database	3,300
	Contingency	2,000
		<b>87,800</b>
Software upgrade/purchase		
	Granite Net Scheduler	3,000
	Lucity Mobile	4,500
	Esri Arc Engine Licenses	1,000
	4 Adobe Acrobat Pro	1,000
	Crystal Reports	500
	2 Microsoft Office Pro	1,200
	FWI Board Agenda Posting Software	3,000
	Contingency	4,000
		<b>18,200</b>
<b>Total Software &amp; IT Support</b>		<b>106,000</b>
<b>Total Hardware, Software &amp; IT Support Expense</b>		<b>137,700</b>

TABLE 6

**TRUCKEE SANITARY DISTRICT  
FUND 1 - GENERAL FUND - FY 2020  
TRAVEL AND TRAINING BUDGET DETAIL**

Department	Description (GL 41090)	Amount
<b>1000-Operations &amp; Maintenance</b>		
	CWEA Annual Conference	4,000
	CWEA Northern Regional Conference	3,000
	CWEA Safety Day	1,000
	CWEA Awards Banquet	500
	CWEA Certification Prep Classes	500
	Competent Trench Training	300
	Supervisor Safety Seminar	500
	Tri-State Regional Training Conference	4,200
	Meetings & Travel	1,000
		15,000
<b>1300-Building &amp; Grounds</b>		
	CWEA Safety Day	100
	CWEA Awards Banquet	100
		200
<b>2000-Lift Stations</b>		
	CWEA Annual Conference	1,500
	CWEA Northern Regional Conference	700
	CWEA Safety Day	200
	Electrical diagnosis class	3,000
	Competent Trench Training	400
	Tri-State Conference	2,500
	Meetings & Travel	1,000
		9,300
<b>4000-Engineering</b>		
	CWEA Annual Conference	1,500
	CASA Conference	2,000
	CSDA Conference	2,000
	Lucity Annual Conference and Training	8,000
	IT training for Admin Tech	2,000
	IT Training (ESRI)	4,000
		19,500
<b>5000-Equipment &amp; Fleet</b>		
	Workshop safety class	200
	Meetings & Travel	300
		500
<b>6000-Administration</b>		
	CASA Annual Conference	6,000
	CASA Winter Conference	6,000
	CalPERS Conference	2,000
	Leadership Training - Mgt/Supervisory	3,000
	NTT Leadership	900
	Various on-site training & webinars	2,000
	SHRM Conference	2,500
	CalPELRA	2,000
	Board Exec Training	1,500
	CSMFO/GFOA/Calpers Conferences	4,000
	CSDA Conferences & Webinars	4,000
	Springbrook Conference	4,000
	Springbrook Training	1,500
	CSDA Legislative Days (Board 1)	2,000
	CSDA Leadership Academy	2,000
	GFOA Webinar Training	1,500
	APA Payroll Webinars/Reference Materials	1,500
	APA Payroll Conference/Certification	4,500
	Meetings & Travel	1,100
		52,000
<b>Total</b>		<b>96,500</b>

**TABLE 7  
TRUCKEE SANITARY DISTRICT  
CAPITAL BUDGET FOR FY 2020 & 5-YEAR IMPROVEMENT PLAN**

CAPITAL PROJECT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	5 YEAR TOTAL
<b>Collection System Infrastructure Projects</b>						
Lift Station Electrical Upgrade	\$30,000	\$50,000	\$50,000	\$50,000	\$50,000	\$ 230,000
Manhole Rehabilitation	\$125,000		\$50,000		\$50,000	\$ 225,000
Flow Meter Upgrades (Schaffer's Mill Road)	\$25,000			\$25,000		\$ 50,000
Donner Lake Sub J Replacement Project	\$50,000					\$ 50,000
Conversion of Telemetry phone lines to Radio	\$10,000			\$60,000		\$ 70,000
Drywell Cathodic Protection Coating	\$35,000					\$ 35,000
Paving Improvement Lahontan Lift Stations	\$12,000					\$ 12,000
Vehicle Storage Expansion Construction	\$1,400,000					\$ 1,400,000
Town Paving Manhole Adjustment		\$120,000		\$120,000		\$ 240,000
Pipeline Rehabilitation		\$150,000		\$150,000	\$150,000	\$ 450,000
Easement Acquisitions		\$75,000				\$ 75,000
Install/Replace/Upgrade existing long laterals Tahoe Donner		\$100,000		\$100,000	\$100,000	\$ 300,000
Donner Lake Sub Station Plumbing Replacement		\$10,000		\$10,000		\$ 20,000
Foxmead/River Park LS Upgrade			\$10,000	\$250,000		\$ 260,000
Extending Laterals to Committed Donner Lake Lots			\$50,000		\$50,000	\$ 100,000
Alder Creek LS Emergency Overflow Tank Expansion			\$60,000			\$ 60,000
Donner Creek Bypass System				\$250,000	\$250,000	\$ 500,000
Drywell Cathodic Protection Upgrade					\$10,000	\$ 10,000
<b>Collection System Infrastructure Projects Subtotal</b>	<b>\$1,687,000</b>	<b>\$505,000</b>	<b>\$220,000</b>	<b>\$1,015,000</b>	<b>\$660,000</b>	<b>\$ 4,087,000</b>
<b>Other Capital Projects</b>						
Engineering						
Corporation Yard Overhead Door Replacement	\$12,000	\$12,000	\$12,000	\$12,000		\$ 48,000
Admin Campus Fiber Upgrade	\$15,000					\$ 15,000
Heating Zone valve replacement	\$7,000					\$ 7,000
Corporation Yard Slurry Seal	\$50,000				\$50,000	\$ 100,000
Admin Flat Roof Upgrade	\$40,000					\$ 40,000
Install 2 Electric Vehicle Charging Stations	\$20,000					\$ 20,000
Vehicle Fuel Station Delivery System	\$12,000					\$ 12,000
Hand Held/Truck Radio Upgrade		\$100,000				\$ 100,000
Security Camera Upgrade		\$10,000				\$ 10,000
Fiber Optic Connection to Internet/Phone Provider			\$20,000			\$ 20,000
SCADA Software Upgrade			\$40,000			\$ 40,000
Bypass Hose Replacement (6 inch)			\$50,000			\$ 50,000
Phone System Replacement			\$100,000			\$ 100,000
Aerial Photography			\$25,000			\$ 25,000
3rd Fuel Storage Tank Admin Complex					\$80,000	\$ 80,000
Administration Building Expansion Design					\$100,000	\$ 100,000
FOB Roof Replacement					\$200,000	\$ 200,000
Vehicle and Equipment						
Vehicle & Equipment Replacement (see schedule)	\$530,000	\$240,000	\$198,000	\$457,000	\$375,000	\$ 1,800,000
Administration						
Future Equipment Replacement - Administration	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$ 75,000
Customer Information/Utility Billing Software Project	\$100,000					\$ 100,000
Electronic Document Management System		\$50,000				\$ 50,000
<b>Other Capital Projects Subtotal</b>	<b>\$801,000</b>	<b>\$427,000</b>	<b>\$460,000</b>	<b>\$484,000</b>	<b>\$820,000</b>	<b>\$ 2,992,000</b>
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$2,488,000</b>	<b>\$932,000</b>	<b>\$680,000</b>	<b>\$1,499,000</b>	<b>\$1,480,000</b>	<b>\$ 7,079,000</b>
<b>EXPENDITURES BY FUNDING SOURCE</b>						
Fund 4 - Capital Reserves (41% of Collection System Infrastructure Projects to Future Service)	\$1,518,000	\$176,000	\$120,000	\$416,000	\$300,000	\$ 2,530,000
Fund 5 - Capital Improvements (59% of Collection System Infrastructure Projects to Current Service)	\$970,000	\$756,000	\$560,000	\$1,083,000	\$1,180,000	\$ 4,549,000
<b>FUND SOURCE ANNUAL TOTALS</b>	<b>\$2,488,000</b>	<b>\$932,000</b>	<b>\$680,000</b>	<b>\$1,499,000</b>	<b>\$1,480,000</b>	<b>\$ 7,079,000</b>

**TABLE 8  
TRUCKEE SANITARY DISTRICT  
DESCRIPTION OF CAPITAL PROJECTS**

CAPITAL PROJECT	DESCRIPTION
<b>Collection System Infrastructure Projects</b>	
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.
Manhole Rehabilitation	Manhole rehabilitation via cementitious or other lining method.
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.
Donner Lake Sub J Replacement Project	Conversion of the existing Sub J lift station to two private lift stations
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.
Drywell Cathodic Protection Coating	Lift Station 5 and Alder Creek drywells were identified as needed coatings from the Cathodic Protection Analysis in FY2019.
Paving Improvement Lahontan Lift Stations	Additional paving at Lahontan Lift Stations to aid in snow removal operations
Vehicle Storage Expansion Construction	Addition to the Vehicle Storage Facility to accommodate the Vehicle Storage for the District.
Town Paving Project - Manhole Adjustments	Adjustment of manhole frame and covers. Typically done by Town paving contractor and reimbursed to Town.
Pipeline Rehabilitation	Pipeline rehabilitation via cured-in-place liners.
Easement Acquisitions	Purchase of easements on private properties to ensure access to District facilities.
Install/Replace/Upgrade Existing Long Laterals Tahoe Donner	Replace aged or misaligned long laterals in Tahoe Donner that were acquired by District in 2017.
Donner Lake Sub Station Plumbing Replacement	Replace guide rails, check valves, and stand pipes on the sub stations at Donner Lake.
Foxmead/River Park LS Upgrade	Consolidation of three lift stations located within 300 feet of each other into a single station.
Extending Laterals to Committed Donner Lake Lots	To provide sewer lateral to the committed SAD 4 parcels that paid for lateral extensions that were not installed.
Alder Creek LS Emergency Overflow Tank Expansion	Review contingency planning and design a method to contain a spill in the event of a station failure.
Donner Creek Bypass System	Evaluate and design a mechanism to bypass the line (CT03-A09 to CT06-A31) in Donner Creek in the event of a break.
Drywell Cathodic Protection Upgrade	Evaluate/test and replace as required the cathodic protection on the steel drywell tanks at Donner Lake and Tahoe Donner.
<b>Other Capital Projects</b>	
Corporation Yard Overhead Door Replacement	Replace aging overhead doors.
Admin Campus Fiber Upgrade	Replace aging fiber optic communication wire between buildings to increase the reliability of the District's network.
Heating Zone valve replacement	Replace failing obsolete zone valves on hydronic system. FY 2019 will be Field Operations Building. FY 2020 will be Admin Building.
Corp Yard Slurry Seal	Slurry seal the corp yard parking lot to extend the useful life of the surface.
Admin Flat Roof Upgrade	Replacement of flat roofs admin building
Install 2 Electric Vehicle Charging Stations	Installation of two electric vehicle charging stations
Vehicle Fueling Station Delivery System Replacement	Replace aged fuel dispensing pumps located at Admin Facility
Hand held/Truck Radio Upgrade	Replace aged voice radio system for all vehicles and portable radios.
Security Camera Upgrade	Upgrade of security camera system
Fiber Optic Connection to Internet/Phone Provider	Upgrade internet service provider (ISP) and install a Fiber Optics connection to the Admin Facility to increase speed and reliability.
SCADA Software Upgrade	The routine upgrade of SCADA software. Replacement software will be determined at that time.
Bypass Hose Replacement (6 Inch)	Replace the aged bypass hose that is used for emergency contingencies.
Phone System Replacement	Replace aging phone system for admin facility
Aerial Photography	Update current aerial map in conjunction with other public entities to update the District's map book.
3rd Fuel Storage Tank Admin Complex	Add additional fuel storage capacity to meet on site fuel supply with contingency.
Admin Building Expansion Design	Evaluate the needs of the District and if determined design space to accommodate the needs.
FOB Roof Replacement	FOB roof is past 20 year warranty. This is a placeholder for the evaluation and potential replacement of the roof.
Vehicle and Equipment Replacement & Disposals	See detailed schedule.
Future Equipment Replacement - Administration	Miscellaneous replacement of office equipment.
Customer Information/Utility Billing Software Project	Complete implementation of new customer info system. Solution may include off-the-shelf software applications or customer design work and training.
Electronic Document Management System	Purchase & implement system to electronically archive documents. Includes consultant, hardware, & implementation costs.

**TABLE 9  
TRUCKEE SANITARY DISTRICT  
FLEET AND EQUIPMENT REPLACEMENT SCHEDULE**

UNIT NO	DESCRIPTION	Purchase Year	Current Mileage	ESTIMATED PURCHASE COST				
				FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
U-06	1 Ton Pickup w/plow blade - O&M/Construction	1998	100,441	50,000				
New Item	Compact Loader w/snow blower/blade/bucket/brush - O&M/Construction	N/A	N/A	150,000				
U-33	4x4 Hydro-Cleaning Truck - O&M/Cleaning	2007	70,956	160,000				
U-12	Full Size SUV - O&M/Superintendent	2003	103,183	40,000				
U-39	2 Ton Truck w/ utility body/crane/generator - Lift Station	2010	92,005	130,000				
U-34	1 Ton Pickup - O&M/Construction	2008	75,661		40,000			
U-05	2 Ton Utility Truck - O&M/Construction	2007	58,064		110,000			
New Item	2 Ton Flat Bed Pickup w/Hydraulic Tool Package - O&M/Construction	N/A	N/A		90,000			
U-04	One Ton PickUp - O&M/Construction	2008	52,365			40,000		
SE-08	Forklift - Bldg & Grounds/Construction	2001	N/A			40,000		
U-38	1/2 Ton Double Cab - LS On-Call	2010	126,599			35,000		
U-11	Full Size SUV - Engineering	2003	66,767			40,000		
SE-06	Crack Sealer Fill Trailer - O&M/Construction	2004	N/A			13,000		
C-1	Compressor 160 CFM - O&M/Construction	2007	N/A			15,000		
T-5	Shoring Carrier Trailer - O&M/Construction	1992	N/A			15,000		
U-49	Full Size SUV - Engineering	2015	95,146				45,000	
P-8	Portable Bypass Pump 6" - Lift Station	1998	N/A				50,000	
G-06	Generator 150 kw - Lift Station	1980	N/A				80,000	
P-9	Portable Bypass Pump 3" - Lift Station	1998	N/A				50,000	
T-7	Toilet Trailer - O&M/Construction	1999	N/A				5,000	
U-40	TV Van Mainline 4x4 Chasis - O&M/TV	2012	47,782				227,000	
New Item	2,000 Gal Water Hauling Truck - O&M/Construction	N/A	N/A					300,000
U-37	2 Ton 5-yd Dump Truck & Sander - O&M/Construction	2009	21,815					75,000
Vehicles/Equipment Items				530,000	240,000	198,000	457,000	375,000

TABLE 10

**TRUCKEE SANITARY DISTRICT  
FUND BALANCE - FY 2020**

FUND	AMOUNT
<b>UNRESTRICTED FUND</b>	
<b>1-GENERAL</b>	
PROJECTED BEGINNING BALANCE	4,915,000
NET INCOME (LOSS)	364,000
ENDING BALANCE	<u>5,279,000</u>
<b>BOARD DESIGNATED FUNDS</b>	
<b>5-MAJOR IMPROVEMENTS RESERVE</b>	
PROJECTED BEGINNING BALANCE	4,317,000
NET INCOME (LOSS)	(393,000)
ENDING BALANCE	<u>3,924,000</u>
<b>6-CONTINGENCY RESERVE</b>	
PROJECTED BEGINNING BALANCE	3,000,000
NET INCOME (LOSS)	-
ENDING BALANCE	<u>3,000,000</u>
<b>ENDING BALANCE UNRESTRICTED &amp; BOARD DESIGNATED FUNDS</b>	
	<u>12,203,000</u>
<b>RESTRICTED FUNDS</b>	
<b>2-MARTIS VALLEY INTECEPTOR</b>	
PROJECTED BEGINNING BALANCE	39,000
NET INCOME (LOSS)	(35,000)
ENDING BALANCE	<u>4,000</u>
<b>4-CAPITAL RESERVE</b>	
PROJECTED BEGINNING BALANCE	2,933,000
NET INCOME (LOSS)	(1,237,000)
ENDING BALANCE	<u>1,696,000</u>
<b>10-SAD 5 TRUST</b>	
PROJECTED BEGINNING BALANCE	369,000
NET INCOME (LOSS)	(47,000)
ENDING BALANCE	<u>322,000</u>
<b>ENDING BALANCE RESTRICTED FUNDS</b>	
	<u>2,022,000</u>
<b>ALL FUNDS</b>	
PROJECTED BEGINNING BALANCE	15,573,000
NET INCOME	(1,348,000)
ENDING BALANCE	<u><u>14,225,000</u></u>

APPENDIX A



TRUCKEE SANITARY DISTRICT  
 FUND 1 - GENERAL FUND - FY 2020  
 Budgeted Expenditures by Category & Department

Account	Department						Total
	1000 O&M	1300 Bldg & Grounds	2000 Lift Stations	4000 Engineering	5000 Equip & Fleet	6000 Administration	
<b>Salaries &amp; Wages</b>							<b>4,042,400</b>
40100 Salaries & Wages	1,508,400	64,300	332,400	843,000	93,500	1,170,800	4,012,400
40105 Directors' Fees						30,000	30,000
<b>Fringe Benefits - Active Employees</b>							<b>2,701,400</b>
40110 Accrued Benefits	23,000	1,500	3,000	15,000	9,000	24,000	75,500
40300 Retirement Contrib-EE Classic	74,700	5,600	17,300	63,100		41,800	202,500
40301 Retirement Contrib-ER Classic	116,800	8,700	27,100	98,700		65,300	316,600
40302 Retirement Contrib-ER Pepra	41,000		5,700	7,400	6,500	46,400	107,000
40305 Retirement Contrib-ER UAL Classic	154,900	6,600	34,100	86,600	9,600	120,200	412,000
40306 Retirement Contrib-ER UAL Pepra	1,200	100	300	700	100	900	3,300
40307 Retirement Contrib - ADP Classic	188,000	8,000	41,400	105,000	11,700	145,900	500,000
40401 Med Ins Prem-Active Employees	333,000	7,800	78,400	158,000	25,800	289,200	892,200
40402 Med Deduct Reimb-Active Empl	8,000	1,000	1,500	4,000	1,000	7,000	22,500
40403 Med Out-of-Pocket-Active Empl	7,000	500	1,500	2,000	1,000	6,500	18,500
40404 Dental Ins Prem-Active Employee	24,000	500	5,900	11,400	2,000	17,500	61,300
40405 Vision Exam Reimb-Active Empl	1,500	300	700	1,500	400	1,800	6,200
40406 Glasses/Contct Reimb-Active Emp	2,500	400	1,000	3,200	400	3,500	11,000
40407 Eye Surgery Reimb-Active Empl	500			500		500	1,500
40420 Life Ins Prem-Active Employees	10,100	600	1,800	4,300	600	6,500	23,900
40440 Safety & Wellness Incentive Program						33,000	33,000
40445 Physicals, Vaccines, DTAP						6,000	6,000
40610 Car & Phone Allowance						7,200	7,200
40430 Directors' 457 Deferred Comp						1,200	1,200
<b>Payroll Burden</b>							<b>389,900</b>
40200 Social Security Tax	94,100	4,000	20,700	48,900	5,800	68,200	241,700
40210 Medicare Tax	22,000	900	4,800	12,300	1,400	17,200	58,600
40221 Workers' Comp Ins	53,500	2,400	12,400	13,000	3,500	4,800	89,600
<b>Retiree Health/OPEB</b>							<b>259,000</b>
40500 OPEB Annual Required Contrib	7,500	300	1,700	4,200	500	5,800	20,000
40501 Med Ins Prem-Retired Empl/Dir						238,000	238,000
40502 Dental Ins Prem-Ret Empl/Dir						1,000	1,000
40505 Med Ded Reimb-Retired Empl/Dir							-
<b>Liability Insurance</b>							<b>155,000</b>
41000 General Liability Insurance						155,000	155,000
<b>Repairs &amp; Maintenance</b>							<b>292,500</b>
43020 Repairs & Maintenance (R&M)	160,000	8,500	47,000		65,000	12,000	292,500
<b>Utilities &amp; Phone Services</b>							<b>152,300</b>
44060 Mobile Phones/Data Plns/Pagers				8,500			8,500
44010 Electricity & Water		700	75,000				75,700
44020 Natural Gas		25,000					25,000
44030 Solid Waste Disposal		6,000					6,000
44040 Wastewater Treatment Fees		7,000					7,000
44050 Propane		2,000	2,500				4,500
44070 Telephone Expense			12,000			10,000	22,000
44080 Internet Service						3,600	3,600
<b>Ad Valorem &amp; Sewer Svc Billing Fees to Counties</b>							<b>125,000</b>
41070 Billing Expense						125,000	125,000
<b>Supplies - Operating &amp; Safety</b>							<b>170,000</b>
42010 Operating Supplies/Equip/Furniture	33,000	9,500	2,000	2,500	7,000	116,000	170,000
<b>Fuel Expense</b>							<b>60,500</b>
42000 Fuel Expense-Unleaded & Diesel	35,000		13,000	11,000		1,500	60,500
<b>Outside Services</b>							<b>226,700</b>
42050 Outside Services-General	15,500	25,000	8,000	69,500		108,700	226,700
<b>Legal Fees</b>							<b>40,000</b>
41060 Legal Fees						40,000	40,000
<b>Travel/Training/Mtgs: Gen-Safety-EE Relations</b>							<b>128,600</b>
41090 Travel/Training/Meetings	15,000	200	9,300	19,500	500	52,000	96,500
41120 Employee Relations	1,500		100	300		20,200	22,100
41125 Public Education & Outreach						8,500	8,500
42035 LogoWear						1,500	1,500
<b>Info Tech &amp; Office Expenses</b>							<b>157,700</b>
41030 Computer Hardware Expense				31,700			31,700
41020 Software Expense				106,000			106,000
41010 Office Supplies						20,000	20,000
<b>Dues, Subscriptions &amp; Memberships</b>							<b>36,000</b>
41040 Dues/Subscriptions/Memberships	6,500	300	1,500	2,500	200	25,000	36,000
<b>Uniforms, Linen &amp; Safety Boots</b>							<b>25,400</b>
40615 Uniform Allowance	4,600	300	800	1,900	300	500	8,400
42030 Uniforms	13,000	200	500	500	300		14,500
42040 Linen Service					2,500		2,500
<b>Environmental Permits &amp; Fees</b>							<b>23,500</b>
42060 Environmental Permits & Fees	5,100	1,200	17,000		200		23,500
<b>LAFCO Expenses</b>							<b>7,000</b>
41150 LAFCO Expenses						7,000	7,000
<b>Printing &amp; Publications</b>							<b>20,000</b>
41050 Printing & Publication Expense						20,000	20,000
<b>Misc-Current YR</b>							<b>4,800</b>
45000 Other Expense	500		200	1,000		3,100	4,800
<b>TOTAL EXPENDITURES</b>	<b>2,961,000</b>	<b>199,000</b>	<b>781,000</b>	<b>1,738,000</b>	<b>249,000</b>	<b>3,090,000</b>	<b>9,018,000</b>



APPENDIX B

MEMORANDUM

DATE: May 6, 2019  
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 2019-20 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 2019-20 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 2019-20 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 1.82% of the District's assets and the MVI contains 1.23%. Therefore, it is recommended that 1.82% and 1.23% of the total Collection Systems (TSD Department 1000) operating budget be allocated from the SAD 5 and MVI funds in FY 2019-20, 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	4,516*	86	1.90	34	0.75
Length of Pipe Segments, ft	1,197,017*	22,371	1.87	9,493	0.79
Inch Diameter Mile	1533*	26	<u>1.70</u>	<u>33</u>	<u>2.15</u>
Average			1.82		1.23

\*Number includes only "TSD Active" pipes.

**MEMORANDUM**

DATE: May 6, 2019

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

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

CC: Mark Wasley, Finance and Administrative Services Manager

**SUBJECT: ALLOCATION OF FUND 4 MONIES TO CAPITAL IMPROVEMENT PROJECTS FOR THE FY 2019-20 BUDGET**

The Truckee Sanitary District is the public agency responsible for the collection and conveyance of wastewater in the greater Truckee area. The District owns, operates, and maintains a complex sewer collection system consisting of pipes, manholes, pump stations, meters, laterals, and other appurtenances. Every year, the District performs capital improvement projects to replace or upgrade aging, damaged, or deteriorated infrastructure.

Funding for capital improvement projects comes from one of two fund sources (Fund 4 and 5) as described in Table 1 below. Fund 1, which is used for operations, is also included in the table for clarity.

Table 1

Fund	Primary Source of Funds	Allowable Projects
Fund 1	User Fees and Property Taxes	Used for Operations & Administration
Fund 4	Connection Fees	Can only be used on capital improvement projects that increase capacity
Fund 5	Fund 1 Net Revenue	Can be used on any capital improvement projects

Based on previous budget discussions with a public finance consulting firm and the District's legal counsel, it was determined that a portion of the cost to perform capital improvement projects associated with the collection system that have an estimated life of greater than 20 years could come from Fund 4. Allocation of costs to Fund 4 would be proportional to the fraction of unconnected equivalent dwelling units (EDU) in the District.

The number of currently connected and projected buildout EDUs in the District are summarized in Table 2. It can be seen that only 59% of the EDUs the District anticipates serving at buildout are currently connected.

Table 2

Area	Currently Connected EDUs	Projected Buildout EDUs	Percent Connected	Percent Unconnected
District Total	17,142	28,933	59	41

Therefore, it is recommended that for the FY 2019-20 Budget, capital improvement projects associated with the sewer collection system be funded by a mixture of 59% from Fund 5 and 41% from Fund 4. This ratio will be updated on an annual basis as more parcels connect to the sewer system. When the District reaches buildout, no Fund 4 monies will be used for capital improvement projects.



**APPENDIX D  
TABLE 1**

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

ITEM	Units	Value
<b>REVENUE ASSUMPTIONS</b>		
User Fees		8% Increase FY20 - FY22
User Fees		No Increases FY23 - FY29
User Fees		4% Increase FY30 - FY34
User Fees		No Increases FY35 - FY39
Property Tax	% Year over Year	3.00%
Users (# of EDUs)	% Year over Year	1.00%
Connection Fees	% Year over Year	1.00%
Interest Earned	ROI	2.00%
<b>EXPENSE ASSUMPTIONS</b>		
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 FY27, then 5% Thereafter	
Retirement - Normal Costs	Based on Calpers Aug 2018 Valuation Rpt Percentages	
Retirement - UAL	Based on \$0.5M Payment/Yr for 8 Years, plus Additional Based on Calpers Formula, thereafter Based Only on Calpers Formula	
O & M	% Year over Year	3.00%
Capital Expenditures	% Completed	100.00%
<b>RESERVE FUND POLICY</b>		
Fund 1 Target	7 Months of Operating Expenses	
Fund 4 Target	60% of 5-year rolling Fund 4 Expenses	
Fund 5 Target	60% of 5-year rolling Fund 5 Expenses	
Fund 6 Target	\$3,000,000	

APPENDIX D

TRUCKEE SANITARY DISTRICT  
20 Year Reserve Fund Forecast  
Scenario C

