



2020-2024 BUDGET

***Approved by the
Board of Directors
June 25, 2019***

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Squaw Valley Public Service District

PURPOSE STATEMENT

The Squaw Valley Public Service District's purpose is to assume leadership in providing high-quality public services needed by the community.

MISSION STATEMENT

Squaw Valley Public Service District serves full-time and part-time residents, businesses, employees and visitors in Squaw Valley. The mission is to provide leadership in maintaining and advocating for needed, high-quality and financially sound community services for the Valley. These include, but are not limited to water, emergency services, and sewer and garbage collection. The District will conduct its operations in a cost effective, conservation-minded and professional manner, consistent with the desires of the community, while protecting natural resources and the environment.

CORE VALUES

- Honesty, openness and maintaining the public trust
- Fairness and being equitable to all
- High standards, competence, and quality services and products
- Fiscal responsibility
- Responsiveness and communication
- Clarity of purpose
- Environmental sensitivity
- Meticulous compliance with regulations
- Compassion and sensitivity
- Progressiveness and commitment to ongoing improvement
- Proactive planning for the future

Squaw Valley Public Service District Budget Objectives

- ⇒ **Provide high level of service**
- ⇒ **Minimize impact on customers**
- ⇒ **Compliance with all State and Federal regulations pertinent to the District**
- ⇒ **Maintain adequate reserve and replacement funds**
- ⇒ **Provide appropriate funding for infrastructure capital improvements
(Government Code § 66000)**
- ⇒ **Maintain fund integrity**
- ⇒ **Create a balanced and responsible budget**
- ⇒ **Minimize spending increases**

The District

The Squaw Valley Public Service District (District) serves the community of Olympic Valley in Eastern Placer County, California, 7 miles northwest of Lake Tahoe and 40 miles southwest of Reno. The District, consisting of 15 square miles (9,600 acres), was incorporated on March 30, 1964 under the provisions of Division 12 of the Water Code.

Originally called Squaw Valley County Water District, the name was changed to the Squaw Valley Public Service District on January 1, 1998, to reflect the varied services offered, including water, wastewater, solid waste, bike trail snow removal, fire protection and emergency medical services. The District may formally be adding Parks services to its suite of services in the near future. The District is governed by a five-member Board of Directors elected to four-year terms.

The Utility Department manages a potable water system and sewer collection system. The Utility Department's budget reflects the Operations Department income and expenses for the District. A portion of the Administration budget is allocated here as these are shared expenses with Fire.

The Fire Department provides prompt and professional emergency services to the Valley and the Truckee River Corridor between Alpine Meadows and Cabin Creek. The Fire Department is funded primarily with property taxes deposited into the General Fund. A portion of the Administration budget is allocated here as these are shared expenses with Utility.

Garbage consists of residential solid waste (garbage collection) service and courtesy dumpsters provided by the District through a contract with Tahoe Truckee Sierra Disposal Company, Inc. Commercial accounts are handled directly by the Disposal Company.

Studies & Plans

District Management takes a proactive approach to planning for the future of the District. A comprehensive planning program was instituted in 1993 and will continue into the future with timely updates of all plans.

The Water System Master Plan, completed in April 1993, assessed the condition of the water supply and distribution system, evaluated supply sources, developed future demand estimates, prepared a fixed asset management plan and prioritized a comprehensive Capital Improvement Program. The plan is currently undergoing a formal update.

Since 2009, the District has completed and is currently undergoing the following water system studies:

1. 2009 Alternative/Supplemental Water Supply & Enhanced Utilities Feasibility Study

2. 2011 Creek/Aquifer Interaction Study Phase I
3. 2013 Hansford Report of Impacts of the Proposed Village at Squaw
4. 2014 Creek/Aquifer Interaction Study Phase II
5. 2014 SV-Mutual Intertie Design
6. 2014 Redundant Water Supply/Preferred Alternative Evaluation Phase I
7. 2014 Water Supply Assessment for Village at Squaw Valley
8. 2014 Operations Department Space Needs Analysis
9. 2015 Redundant Water Supply/Preferred Alternative Evaluation Phase II
10. 2015 Water Supply Assessment Update for Village at Squaw Valley
11. 2015 Water System Hydraulic Modeling (VSVSP Water System Capacity Analysis)
12. 2016 PlumpJack Well Impact Analysis & Dewatering Plan
13. 2016 Redundant Water Supply/Preferred Alternative Evaluation Phase III
14. 2016 Capacity and Reliability Study Update and Maximum Supply Analysis
15. 2016 Olympic Valley Groundwater Management Plan Quinquennial Review and Report
16. 2017 100-year Capital Replacement and 5-year Capital Improvement Plan
17. 2017 Cost of Service and Rate Study
18. 2017 Water Master Plan Update (on-going)
19. 2017 Water Management Action Plan (on-going)

The Sewer System Master Plan, completed in December 1994, defined the existing sewer system and evaluated the future capacity using computer-based hydraulic modeling, developed a Fixed Asset Management Plan and a Capital Improvement Program (CIP). The plan is currently undergoing a formal update.

Since 2009, the District has completed and is currently undergoing the following sewer system studies:

1. 2010 Squaw Valley Sewer System Management Plan and 2015 Audit Update
2. Ongoing television inspection and pipeline evaluations
3. 2013 Hansford Report of Impacts of the Proposed Village at Squaw
4. 2014 Operations Department Space Needs Analysis
5. 2015 Sewer System Hydraulic Modeling (VSVPS Sewer Capacity Analysis)
6. 2017 100-year Capital Replacement and 5-year Capital Improvement Plan
7. 2017 Sewer Master Plan Update (on-going)
8. 2017 Cost of Service and Rate Study
9. 2019 Sanitary Sewer Manhole Inspection and Condition Assessment

The Squaw Valley Fire Department prepares an annual Capital Improvements Plan and Capital Replacement Plan. The Capital Improvements Plan includes projects and specific pieces of equipment anticipated to be needed in the future to address impacts resulting from growth within our service area. The Capital Replacement Plan is discussed below.

The District has completed and is currently undergoing the following Fire Department studies:

1. 2013 Hansford Report of Impacts of the Proposed Village at Squaw

2. 2014 Citygate Fire Service Mitigations for the Proposed Village at Squaw

Strategic Plan

In April 2012, the District completed its five-year Strategic Plan (Plan) that identifies our mission, vision, and values, while providing a structure of goals and objectives that becomes a framework for our decision-making. The Plan is also a practical working tool that provides clear direction to staff about the Board of Director's goals and objectives, and includes a Work Plan developed by the staff which is reviewed annually. Those goals were continued into FY19-20 and are prioritized below as the basis for this budget. Also note the FY19-20 budget includes \$10,000 for an update to our strategic plan.

1. **Water Supply** – Develop and maintain a high quality water supply that meets the needs of our community today and in the future.
2. **Services** – Deliver high quality, cost-effective services that meet the needs of our community.
3. **District / Community Alignment and Communications** – Proactively communicate to foster greater understanding and alignment between the District, its stakeholders and constituents.
4. **Finance** – Maintain a well-planned, proactive financial condition that minimizes rate shocks and impacts on customers while meeting all service needs.
5. **Facilities, Operations and Management** – Carry out the needed planning, organizational, operations and asset management policies and activities to ensure excellence in all service areas.

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| Fixed Asset Replacement Funds |
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The **Fixed Asset Replacement Funding (FARF)** mechanism was revised in FY16-17 to include replacement of assets over a 100-year future outlook for all departments. The purpose of this is to establish fund reserves for replacement of assets at the end of their useful life. By ensuring the money will be available, the program reduces the District's future need to borrow money, pay long term interest on debt, or sharply increase water or sewer rates. The FARF program is coupled with a comprehensive Capital Improvement Program and updated every few years.

This year's annual contribution to the water and sewer FARFs is estimated to be \$371,000; \$225,000 to water and \$146,000 to sewer. Note that our anticipated ending balance for the water FARF is going to be 59% of what it was during its peak in 2009. With prudent management of costs, the FARFs are typically supplemented with additional funds at the end of the fiscal year.

The annual contribution to the fire FARF is estimated to be \$329,000 in FY19-20.

Long Term Debt Retirement

Building: The loan for 305 Squaw Valley Road is for \$2,000,000 with the California Infrastructure and Economic Development Bank, payable over 25 years at 3.63% interest. This will be paid off by August of 2028 and is being paid with funds budgeted by the Utility Department. The remaining balance (with interest) is approximately \$1,224,000. The total principal and interest payment for FY19-20 is budgeted at \$124,000.

CalPERS Side Fund: In FY11-12, CalPERS created Side Funds for each of the District's pension plans to account for the difference between the funded status of the District's plan and the funded status of the risk pool. The interest charged by CalPERS on the side fund was 7.75% in 2012. The District paid off the Side Funds with funds from an internal loan from the Sewer FARF, with annual interest rate of 3%, saving the District an estimated total of \$278,000 in interest expense. The total loan from the Sewer FARF amounted to \$939,000. The loan term set is 10-years and the total principal and interest loan payment repaid to the Sewer FARF for FY19-20 is budgeted at \$113,000.

Unfunded Accrued Liability (UAL): GASB 68 was implemented in FY14-15 for the purpose of improving accounting and financial reporting in relation to pensions. The District contracted with CalPERS to administer the pension plan. It is no secret that CalPERS has been underfunded for some time, meaning the assets they have to pay for retirement promises are less than what is owed. The Public Employees' Pension Reform Act (PEPRA) was implemented in 2013 to help mitigate these unfunded balances; however, it will take years until current employees leave the retirement system and these savings are realized.

The first year GASB 68 was implemented the District's unfunded balance amounted to approximately \$3,000,000. Based on new actuarial assumptions and unfortunate investment returns for CalPERS, this number has grown each year. In FY17-18 the balance increased to \$5,700,000. In FY18-19 the Board approved additional payments in the amount of \$935,000. Because of this the UAL is anticipated to decrease to \$4,800,000 in FY19-20. The current plan for CalPERS is to have agencies pay their unfunded balances off over 30 years at a 7% annual interest rate (the current discount rate). In 2021, they will switch the payback period to 20 years. Long payback periods for the District could mean interest payments upwards of \$4,000,000. In order to avoid this scenario, the District has taken an approach to get the Classic member plans to a 90% funded balance over the next 4-6 years. They currently range from 73%-75% funded. In July 2019, the Miscellaneous Group are scheduled to pay an additional \$400,000 and the Safety Group an additional \$220,000 on top of each group's annual required minimum contribution. The Safety Group will borrow their payment from the Water FARF which will be paid back with 3% interest starting once the plan reaches a 90% funded level. Note that in FY18-19, the Fire Department was budgeted to take a loan to pay their additional portion, however, due to extra revenue earned from strike teams, that loan was not necessary. By taking this approach over the next 4-6 years the Districts anticipates a savings of \$3,000,000 in interest payments which can then be used towards capital replacement schedules. Note that the unfunded accrued liability varies annually based on CalPERS

investment performance so these payments will be reassessed each year until a 90% funded level is reached.

Rate Increase

The FY16-17 Cost of Service and Rate Study was conducted to realign customer classes and rates in an equitable manner and ensure proper funding of FARFs for years to come. This study concluded the District's funding was impaired due to the slow recovery in ad valorem property tax revenues since the Great Recession of 2009 as well as emergency repair projects such as Well 2R and the S-Curve.

In FY16-17 the District issued a 5-year Proposition 218 notice. For the FY19-20 year a Prop 218 notice was not reissued and the budget is set for a 4% increase to water rates, 5% increase to sewer rates, and 3% increase for garbage rates. Total rate revenue is budgeted to be \$3,702,000.

Cost Control and Use of Technology

The District is committed to providing quality services to its customers at the lowest cost without endangering long-term system reliability, quality, or service. This initiative includes controlling Operating and Capital Expenses through the use of technology, improved business processes, and operating procedures.

The automated meter reading system is a great asset in early detection of leaks. The District also performed upgrades to the SCADA system which measures aquifer and tank levels, operates well and booster stations, and monitors sewer flows.

The cost of accepting credit cards is minimal and is a very common way to accept payments. In FY17-18 the District implemented on-line bill pay which cuts down on staff time needed to process payments and provide convenience to the many customers that have requested the service.

In the past year the Fire Department added six new iPads to their fleet which greatly improves their ability to communicate with other departments while responding to calls, locate hydrants, as well as complete incident reporting. They also installed new digital maps in the building to provide up-to-date information on not only fires but also properties they need to visit.

The District strives to improve communication with the community. The District web site (www.svpsd.org) is designed to facilitate better customer communications through up-to-date information on Board & Committee Meetings, water issues, water quality reports, Fire Department activities, and progress of current projects. This site is regularly updated and maintained. Through the website, customers have the ability to view their monthly water consumption and view prior year consumption charged in the current billing. Because of ongoing open communication, the District earned the Transparency Certificate of Excellence through California Special District's Association.

2019-2020 Initiatives

Resource Management

In FY19-20, the District anticipates accomplishing several major projects to improve service levels, protect the environment, and provide for the future of the community. Some of these projects began in prior years. The Capital Budget includes funds for projects to achieve the following goals:

- Improve water supply reliability and redundancy
- Provide long term protection of groundwater resources
- More closely monitor operation of water and sewer systems
- Protect and preserve public records
- Continue replacement of equipment as it reaches the end of service life
- Reduce long term debt
- Improve sewer system operations and planning

Water Quality

The District continues to proactively prepare for new and emerging water regulations. Water served by the District meets all Federal EPA and California Division of Drinking Water quality guidelines. The District does perform water treatment to balance pH and chlorinates annually to control bacterial growth in the distribution system. The District continues to monitor emerging water quality issues that may affect the District's operations.

Sources of Funds

General Fund

The District receives two property tax allocations from Placer County. The FY19-20 budget is anticipating a 0.93% increase in ad valorem tax revenue, which is approximately \$3,561,000. This is considered to be conservative and uses the 2018-19 Placer County assessed property tax multiplied by the 2019-20 California CPI, and then multiplied again by the Adjusted Gross Levy percentage of each of our funds. In September, Placer County will issue a letter estimating the ad valorem tax revenues for FY19-20.

All tax revenue is placed into the General Fund and distributed into operating and capital accounts as necessary. The Fire Department is mostly sustained by these property taxes. Ad valorem tax revenue not initially distributed to the Fire Department is allocated to support utility and fire operations, pay off debt, and fund fixed asset replacements. This year, funding the Fire FARF is necessary due to the recent purchases of new Type I and Type III engines, replacement of aging assets, and paying down the CalPERS unfunded accrued liability. A minimal amount will be allocated to the Utility Department to provide initial support for Parks services. These expenses will be reimbursed to the General Fund if the proposed bond measure is approved by voters in November, 2019.

Utility & Administration Departments Operating Funds

The Utility and Administration Departments are mostly funded from water, sewer, and garbage service fees. Rates include a base rate as well as a tiered rate for water consumption only. Total budgeted operating revenues from service fees for FY19-20 are \$3,702,000, which is generated from all customer classes. Additional revenue will be supplemented through other sources such as rental revenue, reimbursable services provided by District staff, and administrative fees.

The District maintains savings funds in Placer County Revenue and Investment accounts, Certificates of Deposits, and the Local Agency Investment Fund (LAIF); with each fund providing a high level of safety and liquidity. The highest earners are the Certificate of Deposits at 3.1% and 2.4% annually, followed by LAIF which is 2.4%. The District is conservatively forecasting low interest earnings, but remains focused on managing reserve balances into the strongest return vehicle that aligns with the District's Investment Policy. The majority of funds are held with Placer County as these are the most liquid. The District has a plan to continue to invest in 5-year CD's, consistent with the Investment Policy. Note that funds are not transferred out of investment accounts until they need to be used to pay for expenditures.

The District continues to maximize its property assets and receives rental revenues from three tenants located at 1810 Squaw Valley Road. Total rental revenue is anticipated to be \$95,000 for the next fiscal year and will be split with the Fire Department.

A renewed O&M agreement with the Squaw Valley Mutual Water Company, in addition to snow removal of the Squaw Valley Bike Trail, continue to provide ancillary funding which further helps to dilute expenditures while increasing the District's net financial operating efficiency. These reimbursable projects are forecasted to be \$149,000. This is a conservative consideration based on the difficulty to budget for these variable scopes of work.

The District actively pursues and applies for grant funding that becomes available. In 2016, the District was awarded approximately \$25,000 from Tahoe Sierra IRWM which is still being used for a Toilet Rebate program that replaces high flow toilets with low flow toilets throughout the Valley. In May of 2019 the District was awarded \$10,000 from the Placer County Water Agency (PCWA) for asset management implementation and GIS database upgrades. Additional grant funding is being pursued for water meter testing from the Integrated Regional Water Management (IRWM) water conservation program. Lastly, the emergency intertie between the District's and the Mutual Water Company's water systems will continue to seek funding where applicable.

Fire Department Operating Funds

The Fire Department account is funded almost entirely from ad valorem tax revenue from General Fund transfers. The Department is projected to receive approximately \$32,000 in revenue from renting office space as discussed above. Lastly, the Fire Department

occasionally receives income from aid rendered on wildland fires, sale of surplus equipment, grants, and CPR training classes.

Capital Funds

Water and sewer capital funds are derived from connection fees related to new development. There is a slight increase in residential development anticipated for the coming fiscal year, mostly due to the Palisades residential development project as well as residential additions and renovations. In FY19-20 we are not proposing any increases to our water and sewer connection fees.

Under Placer County's 1983 Squaw Valley General Plan and Land Use Ordinance, a Fire Protection Fee was established. New development contributes fees to finance the procurement of new fire apparatus and special equipment needed due to growth in Squaw Valley. The fee is currently \$500 per bedroom for residential, and \$1,080 per 1,000 sq. ft. of gross floor area of commercial space.

The District expects to receive substantial connection fees from approved development projects, which include the Village at Squaw Valley, PlumpJack, Palisades, and the Resort at Squaw Creek, but the schedule for these projects is uncertain.

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| Uses of Funds |
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Utility Department Operations

Operating expenditures are budgeted at \$2,965,000, and increase of \$147,000 compared to actual expenditures projected for FY18-19 (see page 17). Notable changes compared to FY18-19 include:

- Total wages are budgeted at \$1,336,000. This is an increase of \$90,000 from FY18-19. All represented employees in the Operations department are receiving a 2.31% cost of living adjustment (COLA) per the Consumer Price Index (CPI) as estimated by the U.S. Bureau of Labor Statistics (BLS). The Administration Department conducted an internal classification and compensation study for unrepresented positions comparing them to similar positions at other agencies and Special Districts in the region. Salary surveys are conducted from time to time as a commitment to recruit and retain employees and to stay competitive in the market. Additionally, some employees will receive step increases as well as educational incentives. Lastly, the budget is set conservatively for reimbursable labor expenses.
- Employee benefits are decreasing by \$30,000 from FY18-19. This is due to the CalPERS Annual Required Pension Liability payment decreasing by \$32,000 to \$168,000. In FY18-19 an additional \$510,000 payment was made which resulted in the annual minimum payment going down. Lastly, Workers Compensation rates are decreasing by approximately 21%. This is due to the EMOD decreasing significantly after having three years of minimal claims.

- Field expenses such as materials, water meter testing and repairs, maintenance, and trainings are budgeted at \$457,800. Increases in these accounts are considered inflationary.
- Board expenses are budgeted at \$55,800. We are planning for a few extra meetings and a special election in November 2019 regarding the acquisition of Olympic Meadow Preserve and to initiate a Parks Department. See below in the “Future Outlook” section for details.
- Consulting Services are budgeted at \$104,900. In addition to annual contracts such as legal services and the financial audit, a new 5-year strategic plan (\$5,000), a revision to the personnel code (\$5,000), a Sewer Master Plan (\$14,000), and a Water Master Plan (\$18,000) are included in the budget.
- Insurance is budgeted at \$50,600. SDRMA, the District’s insurance provider for property and liability, anticipates rates increasing by 11%. This is mostly due to fires in California and increasing liabilities resulting from court judgements. The budget is set conservatively for any discounts or incentives.
- Licenses/Permits/Contracts are budgeted at \$39,800. These expenses include annual memberships as well as maintenance contracts for the accounting software, VueWorks, and new GIS software.
- Office Expenses are budgeted at \$53,000. In addition to normal office expenses, the District is planning an upgrade of the accounting software in the amount of \$7,500; the last upgrade was in 2011.
- Interest Expense and Debt Repayment continues to decline. As the building loan matures, each payment gains a greater contribution towards principal.
- Other expense comparisons against the prior year are considered immaterial at either less than a 5% or \$5,000 change. Most increases are considered inflationary.

Bike Trail Snow Removal: The District has provided this service for the past eight years. In FY18-19, the District contracted directly with Placer County for a flat fee of \$46,000. The budget considers a similar contract for FY19-20. Any funds left over at the end of the season will be placed in a reserve account to replace the snow blower, similar to FARFs maintained for other departments.

Fire Department Operations

Operating expenditures are budgeted at \$3,268,000, an increase of \$121,000 compared to for FY18-19 (see page 18). Notable changes compared to FY18-19 include:

- Fire Department Wages are budgeted at \$1,606,000. This is an increase of \$34,000, or 2%. Per the MOU that expires on June 30th, 2021, an annual salary survey is conducted to benchmark represented employees at the 75% percentile compared to similar positions in the region. In the current year’s survey, the results show no increase in wages. Additionally, the budget includes a few staff members to receive merit increases. Lastly, the District conservatively budgets for

strike teams as that is dependent on the fire season. As such, wages that were ultimately reimbursed in FY18-19 show initially in the FY19-20 budget as paid by the District.

- Benefits are budgeted at \$972,000. There is an increase to the CalPERS employer contribution rates. This is offset by the CalPERS Annual Required Pension Liability payment decreasing by \$10,000 to \$190,000. In FY18-19 we made an additional \$425,000 payment which resulted in the annual minimum payment going down. Lastly, Workers Compensation rates are decreasing by approximately 21%. This is due to the EMOD decreasing significantly after having three years of minimal claims.
- One-third of Administration Salaries & Wages are allocated to the Fire Department. In FY19-20 we anticipate this to be \$307,000.
- Field expenses are budgeted at \$155,800. Expenses include the following:
 - Materials and Supplies are budgeted at \$29,500. These include costs for EMS supplies, rescue gear, and uniforms.
 - Maintenance & Repair is budgeted at \$18,900. These charges include annual hose and pump testing, annual compressor service, small tool replacements, and radio maintenance.
 - Facilities are budgeted at \$32,900. As buildings age, more repairs are needed to items such as elevators and the HVAC system. The budget also includes \$3,000 in appliance upgrades.
 - Training and Memberships are budgeted at \$44,200. The department has maintained a high standard when it comes to training. As new staff comes on, they must keep up to bridge the gap in experience.
- Board expenses are budgeted at \$18,600. Expenses include board member salaries and meeting expenses.
- Consulting fees are budgeted at \$24,700. In addition to legal fees and the audit, the budget includes a five year strategic plan for \$5,000 and a revision to the personnel code for \$5,000.
- Insurance is budgeted at \$30,100. SDRMA, the District's insurance provider for property and liability, anticipates rates increasing by 11%. This is mostly due to fires in California and increasing liabilities resulting from court judgements.
- Licenses/Permits/Contracts are budgeted at \$69,200. This includes the CalFire Dispatch Contract for \$40,000 as well as other smaller subscriptions such as incident reporting and scheduling software.
- Office Expenses are budgeted at \$16,600. Along with normal office needs, the District is planning an upgrade of the accounting software in the amount of \$7,500; the last upgrade was in 2011.
- Training, Meetings & Recruitment budgeted at \$24,000. This includes expenses for travel and meetings as well as \$12,000 for our paramedic incentive program which was not used to its full potential in FY18-19.

- Other expense comparisons against the prior year are considered monetarily immaterial at either less than a 5% change or less than \$5,000. Most changes are considered inflationary.

Utility Capital Reserve Projects – See page 40

Capital Improvements – (New Construction)

Truckee River Siphon Replacement Project: This project includes replacement of the existing 43-year old inverted sewer siphon which runs under State Highway 89 and the Truckee River. The condition of the existing siphon line indicates it's in need of replacement and is arguably the single-most critical asset in the District's sewer collection system. The new siphon system will include parallel pipelines to provide an increased level of service and the necessary redundancy for operation and maintenance activities. The total project cost is expected to be approximately \$2,000,000 and is scheduled for completion in the Fall of 2019. The project costs will be split between the Sewer FARF (45%) and Sewer Capital (55%). In FY2020 the remaining costs to the project are budgeted at \$1,900,000.

PlumpJack Well – Phase 2: This project includes equipping a new municipal water supply well on the PlumpJack Squaw Valley Inn property. Phase 2 of the PlumpJack Well Project includes the design and construction of improvements necessary to bring the new well into the District's water supply system. The scope includes construction of a well building, installation of a submersible well pump and pitless adapter, water treatment and pump control equipment, site access and piping, and landscape improvements. Work to be completed in FY19-20 includes design and permitting and is estimated to be \$125,000. The total cost of the project is expected to be \$1,250,000. The project is being funded from the District's Water Capital fund.

Granite Chief Sewer A Line: This project includes the design and construction of a replacement sewer line in the Granite Chief neighborhood. The project is expected to be designed and constructed in the Summer/Fall of 2019. The Granite Chief A-Line is a privately-owned 6-inch sanitary sewer line that runs parallel to Squaw Creek, serves eight properties in the lower portion of the Granite Chief neighborhood, and is approximately 420 feet in length. The line is in failure mode, as determined through CCTV inspections. The A-Line is currently owned by the Granite Chief Homeowners Association. The replacement line will be dedicated to the District upon completion of the project. The project will be funded in part by the Granite Chief HOA, with contributions provided by the District. It is estimated that the District's contribution for this project will be up to \$90,000, which will be funded from the District's Sewer Capital Fund.

Fixed Asset Replacement Funds (FARF)

Fire Hydrant Replacement: Each year the District plans to replace various fire hydrants on a rotational basis at approximately \$5,000 each. This year's budget is set for \$21,000 funded by the Water FARF.

Sewer Inspection Project: This project includes the television-inspection and condition assessment of a portion of the District's sewer collection system. The District evaluates the condition of the entire sewer collection system over a 4-year cycle by performing panoramic digital scanning inspections of the sewer lines. Work to be performed in FY19-20 will include inspection of approximately 30,000 linear feet of sewer mains, including locating District-owned laterals that do not have a property or easement line cleanout for access. The estimated cost for this project is \$110,000, which will be funded from the Sewer FARF.

AC Slurry Seal 305: The parking lot will be slurry sealed to prevent further deterioration during the winter months. Some pavement patching will be required. The budget for this work is \$9,000 and the costs are split equally among the Water FARF, Sewer FARF, and Fire FARF.

Exterior Paint 305: The exterior walls of the main building located at 305 Squaw Valley Road needs repainting. The current paint coat was installed during the building's original construction in 2005 and is near the end of its useful life. The costs budgeted for repainting the building is \$40,000 and will be split between the Water, Sewer, and Fire FARFs.

Laserfishe Document Management: The District continues to maintain an organized filing system and ensures documents are stored in accordance with our retention policy. As part of our ongoing efforts for efficient and usable organization, the District plans to install a new document management system to allow for scanning of all of our permanent files. This will not only safeguard us against any loss of physical files, this will now also allow digital search for needed documents. This project is budgeted at \$15,000 and will be split between the Water FARF, Sewer FARF, and Fire FARF.

1810 Roof Replacements: This project intends to replace the roofs at 1810 Squaw Valley Road. The roof on the office building is now about 28 years old. The roof has been patched multiple times and is close to failing. The roof on the old fire station is the original roof and is about 30 years old. That roof has been patched multiple times and is also close to failing. Each replacement is budgeted at \$75,000 for a total of \$150,000 and will be split across the Fire, Water, Sewer and Garbage FARFs.

Fire Department Capital Reserve Projects – See page 40

Capital Improvements – (New Capital)

Regional Training Facility: Local fire agencies identified a need for a Regional Training Facility. Currently, the closest training facility for fire operations is in either Reno or Carson City. Our members have to travel much further for specific classes such as Confined Space, Rescue Systems or Haz-Mat, often as far away as Menlo Park, Los Angeles or Las Vegas. The National Fire Protection Agency (NFPA) recommends a certain number of hours of facility training each year and it is increasingly difficult to get those hours for all of our staff. With a local facility, we would be able to rotate multiple engine companies through the facility while covering that engine's company area with a neighboring engine company. The local fire departments would also be able to hold some classes at the Regional Facility, offsetting the costs of the classes and the operation of the facility. Squaw Valley's contribution to the project is budgeted at \$50,000.

Fixed Asset Replacement Fund (FARF)

Hose and Nozzle Replacement: The budget is set to \$3,000 from the Fire FARF for the ongoing rotational replacement of hose and nozzle equipment.

Turnout Gear Replacement: The budget is set to \$15,000 from the Fire FARF for the ongoing rotational replacement of turnout gear for structure and wildland personal protective equipment. About 20% of the gear is replaced each year.

Facility Repairs: A portion of costs for facility maintenance and technology resources are allocated to the Fire Department totaling \$64,000 from the Fire FARF.

Turnout Racks: Turnout racks are used to hang turnout gear. The racks are open storage and are meant to have gear be readily available. The current racks predate the construction of the building at 305 Squaw Valley Road and have been showing signs of failure for some time. The budget to replace the racks from the Fire FARF is \$8,500.

Class A Uniforms: Class A uniforms are used for formal events such as promotions, funerals, and special events. It has been several years since we have purchased Class A uniforms and there are seven (7) full time staff that need them. The budget is \$6,000 to purchase 7 new uniforms and comes from from the Fire FARF.

Automated External Defibrillators: Our current defibrillators are outdated and can no longer be programmed for updates to AED codes. The budget is set at \$7,000 to replace 6 AEDs and will come from the Fire FARF.

Future Outlook

The Tahoe area is unique when it comes to an economic outlook. Tahoe experienced record breaking snowfalls in winter of 2019. While housing inventory was temporarily put on hold, the average and median home prices continued to increase compared to 2018. It is expected that the summer of 2019 will have more listings as the weather clears. Some have speculated that due the IPO of many Bay Area Tech companies (Uber, Lyft, Pinterest, etc.) we could see an increase in home prices as competition increases. These speculations should also be viewed with bigger national issues such as the Federal Reserve stopping an increase to interest rates as well as trade wars with foreign countries. These can be indicators towards a slowing economy or the beginning of a recession. Without a crystal ball, predicting what will happen in the near future is quite difficult.

The most significant change to the finances is addressing the District's unfunded accrued liability for CalPERS pensions. With notable growth in the overall liability, the District is working to pay off the liability as quickly as possible to avoid paying millions of dollars in interest that could otherwise be spent within the District. We took a careful approach to reprioritize projects without subjecting our customers to a decline in the services we offer. Paying off this debt soon avoids preventable rate hikes and / or debt financing.

The District is planning to continue snow removal services on the Squaw Valley Bike Trail, which continues to be an ongoing success for many residents and visitors of the valley. The District has renewed its O&M agreement and continues to foster its relationship with the Mutual Water Company, as revenue from providing these services continue to dilute staff and equipment expense impacts on the fiscal budget.

The District has updated its 100-year Capital Replacement Plan and will continue to revisit the plan periodically. This plan is used to determine funding needs and timing to replace aging infrastructure, equipment, facilities and fleet. The District expects to continue funding its FARFs, which helps avoid the need for debt financing, benefit assessments, or large rate increases in the future.

The Fire Department has welcomed many new hires within the Department. Plans for the coming year include participating in the construction of a new Regional Training Facility and applying for grants for a water tender. We will continue to pursue efforts with Squaw Valley Ski Resort to staff the station at 1810 Squaw Valley Road facility on weekends and holidays during the winter ski season.

In 2019, the District joined forces with the Truckee Donner Land Trust to acquire the Olympic Meadow Preserve located at 325 Squaw Valley Road. We will be taking the acquisition of the property to a vote in November 2019 as the purchase will require a bond measure be passed. The bond measure will assess local residences and businesses a Special Tax on an annual basis in order to acquire the property which will then be provided as a community benefit managed by the District. Early surveys and community outreach has indicated this may be a successful venture and finally allow the District to deliver Parks services which has been requested by the community for several years.

There are several projects currently in the planning phase such as the Resort at Squaw Creek Phase II, Village at Squaw Valley Specific Plan, and PlumpJack. These projects are expected to expand the District's customer base and increase revenues.



SQUAW VALLEY PUBLIC SERVICE DISTRICT FINANCIAL SUMMARY FOR BUDGET YEAR 2019 - 2020



| | Water 4% | Sewer 5% | Garbage 3% | Total Utility | Total Fire | Water Capital | Sewer Capital | I&I | Fire Capital | Consolidated |
|-------------------------------------|------------------|------------------|----------------|------------------|------------------|------------------|------------------|----------------|-----------------|------------------|
| Revenue | | | | | | | | | | |
| Rate & Misc Revenue | 2,168,679 | 1,587,777 | 268,193 | 4,024,649 | 92,138 | 87,316 | 33,165 | 33,165 | 16,500 | 4,286,933 |
| Tax Revenue | 10,000 | 10,000 | - | 20,000 | 3,541,225 | | | | | 3,561,225 |
| UAL Loan from Water Dept | | | | - | 220,000 | | | | | 220,000 |
| Total Revenue | 2,178,679 | 1,597,777 | 268,193 | 4,044,649 | 3,853,363 | 87,316 | 33,165 | 33,165 | 16,500 | 8,068,158 |
| Expenses | | | | | | | | | | |
| Payroll & Benefits | 1,028,998 | 989,276 | - | 2,018,274 | \$2,885,786 | | | | | 4,904,060 |
| Operating Expenses | 398,623 | 289,843 | 258,059 | 946,525 | 382,057 | | | | | 1,328,582 |
| Building Loan | 57,305 | 30,856 | | 88,161 | - | | | | | 88,161 |
| Snowblower Loan | - | - | - | - | - | | | | | - |
| PERS Side Loan (with interest) | 49,005 | 27,566 | | 76,571 | 36,695 | | | | | 113,266 |
| PERS UAL Loan to Fire Dept | 220,000 | - | | 220,000 | | | | | | 220,000 |
| PERS UAL Payment | 200,000 | 200,000 | | 400,000 | 220,000 | | | | | 620,000 |
| FARF Contributions | 200,000 | 50,000 | | 250,000 | 250,000 | | | | | 500,000 |
| Total Operating Exp | 2,153,931 | 1,587,541 | 258,059 | 3,999,530 | 3,774,539 | - | - | - | - | 7,774,069 |
| Operating Surplus (Loss) | 24,748 | 10,236 | 10,134 | 45,119 | 78,824 | 87,316 | 33,165 | 33,165 | 16,500 | 294,089 |
| Surplus FARF/Capital Contributions | (24,748) | (10,236) | (10,134) | (45,119) | (78,824) | (87,316) | (33,165) | (33,165) | (16,500) | (294,089) |
| Balance | - | - | - | (0) | - | - | - | - | - | (0) |
| Capital /FARF Rollforward | | | | | | | | | | |
| Begin Balance 7/1/19 | 829,284 | 3,627,065 | 182,504 | 4,638,853 | 367,714 | 465,889 | - | 157,844 | 18,950 | 5,649,250 |
| Capital Projects | (159,333) | (1,088,065) | (37,500) | (1,284,899) | (103,320) | (125,000) | (1,135,000) | - | (50,000) | (2,698,219) |
| Contributions (from above) | 224,748 | 32,671 | 10,134 | 267,553 | 328,824 | 87,316 | 33,165 | 33,165 | 16,500 | 766,523 |
| PERS Side Loan (with interest) | | 113,266 | | 113,266 | - | | | | | 113,266 |
| Snowblower Loan (includes interest) | | - | | - | - | | | | | - |
| Interest | | | | - | - | | | | | - |
| Funding from FARFs to Capital | - | (1,101,835) | | (1,101,835) | (14,550) | - | 1,101,835 | - | 14,550 | - |
| End Balance 6/30/20 | 894,699 | 1,583,102 | 155,138 | 2,632,938 | 578,668 | 428,205 | - | 191,009 | 0 | 3,830,821 |



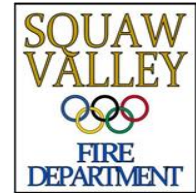
**SQUAW VALLEY PUBLIC SERVICE DISTRICT
UTILITY & ADMINISTRATIVE DEPARTMENT
OPERATING BUDGET FOR FISCAL YEAR 2019-2020**



| | 2017 - 18 ACTUAL | 2018 - 19 BUDGET | 2018 - 19 EXPECTED | 2019-20 BUDGET | Inc/ (Dec) from Prior Year | % CHANGE |
|-----------------------------------|---------------------|---------------------|-----------------------|---------------------|-------------------------------|--------------|
| REVENUES: | | | | | | |
| Water Revenue - Rates | \$1,737,105 | \$1,812,881 | \$ 1,815,013 | \$ 1,960,538 | \$ 145,525 | 8.0% |
| Water Revenue - Property Tax | 68,972 | 117,500 | 85,000 | 10,000 | (75,000) | -88.2% |
| Sewer Revenue - Rates | 1,324,468 | 1,396,119 | 1,397,313 | 1,472,857 | 75,544 | 5.4% |
| Sewer Revenue - Property Tax | - | - | - | 10,000 | 10,000 | 0.0% |
| Garbage Revenue | 250,631 | 255,780 | 255,121 | 268,193 | 13,072 | 5.1% |
| Rental Revenue | 55,282 | 58,795 | 60,022 | 63,299 | 3,277 | 5.5% |
| Bike Trail Snow Removal | 55,282 | 70,000 | 46,000 | 46,000 | - | 0.0% |
| Mutual Water Co O&M | 97,816 | 100,540 | 101,112 | 102,512 | 1,400 | 1.4% |
| Grants, Surplus, Admin, Billable | 59,973 | 66,080 | 297,605 | 111,250 | (186,355) | -62.6% |
| TOTAL REVENUE: | \$3,649,531 | \$3,877,695 | \$ 4,057,186 | \$ 4,044,649 | \$ (12,537) | -0.3% |
| | | | (0) | - | | |
| EXPENDITURES | | | | | | |
| Salaries & Wages | \$1,087,126 | \$1,174,280 | \$ 1,246,194 | \$ 1,335,870 | \$ 89,676 | 7.2% |
| Benefits | 819,299 | 636,828 | 712,480 | 682,404 | (30,076) | -4.2% |
| Field Expenses | 372,147 | 439,638 | 440,796 | 457,793 | 16,996 | 3.9% |
| Board Expenses | 48,558 | 53,027 | 51,502 | 55,800 | 4,298 | 8.3% |
| Consulting Services | 44,078 | 109,660 | 57,183 | 104,860 | 47,677 | 83.4% |
| Insurance | 39,718 | 41,545 | 44,320 | 50,586 | 6,266 | 14.1% |
| Licenses/Permits/Contracts | 35,373 | 39,564 | 34,177 | 39,768 | 5,591 | 16.4% |
| Office Expenses | 38,266 | 48,943 | 46,108 | 52,802 | 6,694 | 14.5% |
| Training, Meetings & Recruitment | 9,576 | 16,142 | 16,550 | 16,650 | 100 | 0.6% |
| Utilities | 110,467 | 112,848 | 105,988 | 109,872 | 3,884 | 3.7% |
| Bike Trail | 32,178 | 45,612 | 21,612 | 21,612 | - | 0.0% |
| Interest & Misc | 43,597 | 38,926 | 40,526 | 36,782 | (3,744) | -9.2% |
| TOTAL OPERATING | \$2,680,383 | \$2,757,013 | \$ 2,817,436 | \$ 2,964,798 | \$ 147,363 | 5.2% |
| | | | - | - | | |
| Building Loan | 79,909 | 85,320 | 85,320 | 88,161 | 2,841 | 3.3% |
| Snowblower Loan | 24,388 | 24,388 | 24,388 | - | (24,388) | -100.0% |
| PERS UAL Additional Payment | - | 510,000 | 510,000 | 400,000 | (110,000) | -21.6% |
| Annual Side-Fund Loan Pymt | 76,847 | 76,571 | 76,571 | 76,571 | (0) | 0.0% |
| TOTAL OPERATING & DEBT | \$2,861,527 | \$3,453,292 | \$ 3,513,714 | \$ 3,529,530 | \$ 15,816 | 0.5% |
| | | | - | - | | |
| OPERATING SURPLUS/ (LOSS) | \$ 788,004 | \$ 424,403 | \$ 543,472 | \$ 515,119 | \$ (28,353) | -5.2% |
| TRANSFER TO FARF | \$ (788,004) | \$ (424,403) | \$ (543,472) | \$ (515,119) | 28,353 | 5.2% |
| BALANCE | - | - | - | - | - | - |



**SQUAW VALLEY PUBLIC SERVICE DISTRICT
FIRE DEPARTMENT
OPERATING BUDGET FOR FISCAL YEAR 2019-2020**



| | 2017 - 18 ACTUALS | 2018 - 19 BUDGET | 2018 - 19 EXPECTED | 2019-20 BUDGET | Inc/ (Dec) from Prior Year | % CHANGE |
|-----------------------------------|------------------------------|-----------------------------|-------------------------------|---------------------------|---------------------------------------|---------------------|
| REVENUES: | | | | | | |
| Property Tax | \$ 3,367,063 | \$ 3,412,997 | \$ 3,467,997 | \$ 3,541,225 | \$ 73,228 | 2% |
| Mutual Aid | 146,800 | 50,000 | 130,953 | 50,000 | (80,953) | -62% |
| Rental Revenue | 26,556 | 29,354 | 29,560 | 31,650 | 2,090 | 7% |
| Surplus Sales | 2,070 | - | - | - | - | 0% |
| Admin & Misc | 10,884 | 8,039 | 10,036 | 10,488 | 453 | 5% |
| Loan from Sewer for UAL | - | 135,000 | - | 220,000 | 220,000 | 0% |
| TOTAL REVENUE: | \$ 3,553,373 | \$ 3,635,390 | \$ 3,638,546 | \$ 3,853,363 | \$ 214,817 | 6% |
| EXPENDITURES | | | | | | |
| Salaries & Wages | 1,608,305 | 1,615,786 | \$ 1,572,010 | \$ 1,606,216 | \$ 34,206 | 2% |
| Benefits | 1,046,503 | 912,144 | 955,642 | 972,089 | 16,447 | 2% |
| Admin Salaries & Benefits | 308,236 | 290,923 | 290,923 | 307,481 | 16,558 | 6% |
| Field Expenses | 135,129 | 140,751 | 141,850 | 155,830 | 13,980 | 10% |
| Board Expenses | 16,194 | 17,675 | 17,085 | 18,600 | 1,515 | 9% |
| Consulting Services | 12,690 | 27,071 | 13,550 | 24,736 | 11,186 | 83% |
| Insurance | 26,542 | 28,026 | 28,026 | 30,129 | 2,103 | 8% |
| Licenses/Permits/Contracts | 46,678 | 64,661 | 62,621 | 69,235 | 6,614 | 11% |
| Office Expenses | 13,657 | 15,797 | 13,497 | 16,600 | 3,103 | 23% |
| Training, Meetings & Recruitment | 8,011 | 8,475 | 8,725 | 24,000 | 15,275 | 175% |
| Utilities | 39,518 | 43,490 | 42,705 | 42,927 | 222 | 1% |
| Interest & Misc | | - | | | - | 0% |
| TOTAL OPERATING | \$ 3,261,463 | \$ 3,164,799 | \$ 3,146,634 | \$ 3,267,843 | \$ 121,209 | 3.9% |
| CalPERS SideFund Loan | \$ 32,603 | \$ 36,695 | \$ 36,695 | \$ 36,695 | \$ - | 0% |
| CalPERS UAL Payments | - | 375,000 | 425,000 | 220,000 | (205,000) | -48% |
| TOTAL OPERATING & DEBT | \$ 3,294,066 | \$ 3,576,494 | \$ 3,608,329 | \$ 3,524,539 | \$ (83,791) | -2% |
| NET OPERATING INC/ (DEC) | \$ 259,307 | \$ 58,896 | \$ 30,217 | \$ 328,824 | \$ 298,608 | 988% |
| TRANSFER TO FARF | \$ (259,307) | \$ (58,896) | \$ (30,217) | \$ (328,824) | \$ (298,608) | -988% |
| BALANCE | - | - | - | - | - | - |

Squaw Valley PSD
 Water Budget
 Escalation Factors

| | Actual | Expected | Projected | | | | |
|---------------------------|---------|----------|-----------|---------|---------|---------|---------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Revenues | | | | | | | |
| Customer Growth | 0.5% | 0.5% | 0.8% | 0.8% | 0.8% | 0.8% | 0.8% |
| Property Tax Revenues | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Miscellaneous Revenues | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Expenses | | | | | | | |
| Labor | Actual | Budgeted | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% |
| Water Dept. Labor | Actual | Budgeted | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% |
| Benefits - Medical | Actual | Budgeted | Budgeted | 5.0% | 5.0% | 5.0% | 5.0% |
| Benefits - Other | Actual | Budgeted | Budgeted | 4.0% | 4.0% | 4.0% | 4.0% |
| Materials & Supplies | Actual | Budgeted | Budgeted | 2.5% | 2.5% | 2.5% | 2.5% |
| Equipment | Actual | Budgeted | Budgeted | 2.5% | 2.5% | 2.5% | 2.5% |
| Miscellaneous | Actual | Budgeted | Budgeted | 1.0% | 1.0% | 1.0% | 1.0% |
| Utilities | Actual | Budgeted | Budgeted | 4.0% | 4.0% | 4.0% | 4.0% |
| Flat | Actual | Budgeted | Budgeted | 0.0% | 0.0% | 0.0% | 0.0% |
| Insurance | Actual | Budgeted | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% |
| Interest | Actual | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| New Debt Service | | | | | | | |
| Low Interest Loans | | | | | | | |
| Term in Years | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Rate | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| Revenue Bond | | | | | | | |
| Term in Years | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Rate | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% |

Squaw Valley PSD
 Water Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Revenues | | | | | | | |
| <i>Rate Revenues</i> | | | | | | | |
| <i>Total Rate Revenues</i> | \$1,736,972 | \$1,815,013 | \$1,960,538 | \$1,975,242 | \$1,990,056 | \$2,004,982 | \$2,020,019 |
| <i>Non-Operating Revenues</i> | | | | | | | |
| <i>Total Non-Operating Revenues</i> | \$295,185 | \$469,976 | \$218,141 | \$209,735 | \$202,566 | \$209,502 | \$217,390 |
| Total Revenues | \$2,032,156 | \$2,284,990 | \$2,178,679 | \$2,184,977 | \$2,192,622 | \$2,214,484 | \$2,237,409 |
| <u>Water Department Expenses</u> | | | | | | | |
| Salaries & Wages | | | | | | | |
| <i>Total Salaries & Wages</i> | \$413,832 | \$551,194 | 449,905 | \$463,402 | \$477,304 | \$491,623 | \$506,372 |
| Employee Benefits | | | | | | | |
| <i>Total Employee Benefits</i> | \$230,743 | \$243,427 | 183,707 | \$191,676 | \$199,998 | \$208,690 | \$217,769 |
| Materials and Supplies | | | | | | | |
| <i>Total Materials and Supplies</i> | \$33,499 | \$46,750 | \$40,000 | \$41,000 | \$42,025 | \$43,076 | \$44,153 |
| Maintenance Equipment | | | | | | | |
| <i>Total Maintenance Equipment</i> | \$13,065 | \$22,300 | \$19,850 | \$20,346 | \$20,855 | \$21,376 | \$21,911 |
| Facilities-Maint/Repair | | | | | | | |
| <i>Total Facilities-Maint/Repair</i> | \$22,333 | \$32,716 | \$34,892 | \$40,764 | \$41,708 | \$42,675 | \$43,666 |
| Training & Memberships | | | | | | | |
| <i>Total Training & Memberships</i> | \$14,359 | \$15,944 | \$15,850 | \$16,009 | \$16,169 | \$16,330 | \$16,494 |

Squaw Valley PSD
Water Budget
Revenue Requirement

| | Actual | Expected | Projected | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Vehicle Maintenance & Repair | | | | | | | |
| <i>Total Vehicle Maintenance & Repair</i> | \$19,282 | \$21,858 | \$20,950 | \$19,974 | \$20,473 | \$20,985 | \$21,510 |
| Total Water Department Expenses | \$747,113 | \$934,188 | \$765,153 | \$793,170 | \$818,532 | \$844,756 | \$871,873 |
| Administration Expenses | | | | | | | |
| Salaries & Wages (50% Allocation) | | | | | | | |
| <i>Total Salaries & Wages</i> | \$270,034 | \$299,335 | 233,030 | \$240,021 | \$247,222 | \$254,638 | \$262,278 |
| Employee Benefits (50% Allocation) | | | | | | | |
| <i>Total Employee Benefits</i> | \$176,445 | \$235,928 | 162,356 | \$167,805 | \$176,378 | \$182,410 | \$186,961 |
| Board Expenses (50% Allocation) | | | | | | | |
| <i>Total Board Expenses</i> | \$31,579 | \$33,476 | \$27,900 | \$26,038 | \$26,051 | \$26,064 | \$26,077 |
| Consulting (50% Allocation) | | | | | | | |
| <i>Total Consulting</i> | \$28,650 | \$37,169 | \$52,430 | \$54,003 | \$55,623 | \$57,292 | \$59,010 |
| Insurance (50% Allocation) | | | | | | | |
| <i>Total Insurance</i> | \$25,817 | \$28,808 | \$25,293 | \$26,052 | \$26,833 | \$27,638 | \$28,467 |
| Special Fees (50% Allocation) | | | | | | | |
| <i>Total Special Fees</i> | \$39,452 | \$36,263 | \$30,965 | \$31,167 | \$31,370 | \$31,576 | \$31,784 |
| Office Expenses (50% Allocation) | | | | | | | |
| <i>Total Office Expenses</i> | \$24,858 | \$29,970 | \$26,401 | \$27,061 | \$27,738 | \$28,431 | \$29,142 |
| Travel & Meetings (50% Allocation) | | | | | | | |
| <i>Total Travel & Meetings</i> | \$6,225 | \$10,758 | \$8,325 | \$8,408 | \$8,492 | \$8,577 | \$8,663 |
| Utilities | | | | | | | |
| <i>Total Utilities</i> | \$86,121 | \$82,170 | \$77,376 | \$80,471 | \$83,690 | \$87,037 | \$90,519 |

Squaw Valley PSD
Water Budget
Revenue Requirement

| | Actual | Expected | Projected | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Interest and Misc | | | | | | | |
| <i>Total Interest and Misc</i> | \$28,338 | \$28,459 | 18,391 | \$19,127 | \$19,892 | \$20,687 | \$21,515 |
| Total Administration Expenses | \$717,518 | \$822,335 | \$662,467 | \$680,152 | \$703,288 | \$724,351 | \$744,416 |
| Total Operations & Maintenance | \$1,464,631 | \$1,756,524 | \$1,427,621 | \$1,473,322 | \$1,521,820 | \$1,569,106 | \$1,616,288 |
| Annual Debt Service | | | | | | | |
| CalPERS Loan | \$40,753 | \$49,005 | \$49,005 | \$49,005 | \$47,578 | \$0 | \$0 |
| Facility Loan | 41,285 | 55,458 | 57,305 | 59,212 | 61,185 | 63,222 | 65,328 |
| Snowblower Loan | 24,388 | 24,388 | 0 | 0 | 0 | 0 | 0 |
| CalPERS Loan to Fire Department | | | 220,000 | 105,000 | 100,000 | 197,000 | 200,000 |
| CalPERS Additional UAL Payments | 0 | 255,000 | 200,000 | 100,000 | 200,000 | 200,000 | 0 |
| <i>Total Annual Debt Service</i> | \$106,426 | \$383,851 | \$526,310 | \$313,218 | \$408,763 | \$460,222 | \$265,328 |
| Net Annual Debt Service | \$106,426 | \$383,851 | \$526,310 | \$313,218 | \$408,763 | \$460,222 | \$265,328 |
| Rate Funded Capital (CRP) | \$133,839 | \$50,000 | \$200,000 | \$350,000 | \$400,000 | \$400,000 | \$400,000 |
| Transfer To / (From) Reserves | | | | | | | |
| To/(From) Operating Reserve | (\$0) | (\$0) | \$0 | (\$0) | (\$0) | (\$0) | (\$0) |
| To/(From) Capital Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| To/(From) FARF | 327,261 | 94,615 | 24,748 | 127,447 | 24,428 | 35,506 | 298,911 |
| <i>Total Transfer To / (From) Reserves</i> | \$327,261 | \$94,615 | \$24,748 | \$127,447 | \$24,428 | \$35,506 | \$298,911 |
| Total Revenue Requirement | \$2,032,156 | \$2,284,990 | \$2,178,679 | \$2,263,987 | \$2,355,011 | \$2,464,834 | \$2,580,527 |

Squaw Valley PSD
 Water Budget
 Revenue Requirement

| | Actual FY 2018 | Expected FY 2019 | FY 2020 | FY 2021 | Projected | | |
|--|-------------------|---------------------|------------------|------------------|------------------|------------------|--------------------|
| | | | | | FY 2022 | FY 2023 | FY 2024 |
| Proposed Rate Adjustment | | | | 4.0% | 4.0% | 4.0% | 4.0% |
| <i>Cumulative Proposed Rate Adj.</i> | | | | | | | |
| Add'l Revenue from Adj. | \$0 | \$0 | \$0 | \$79,010 | \$162,389 | \$250,350 | \$343,118 |
| Total Bal/(Def.) of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Additional Rate Increase Needed | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Capital Reserve | | | | | | | |
| Beginning Balance | \$785,561 | \$590,599 | \$465,889 | \$428,205 | \$0 | \$71,840 | \$48,921 |
| Plus: Additions | 92,540 | 0 | 0 | 532,860 | 0 | 0 | 328,084 |
| Plus: Connection Fees | | 86,666 | 87,316 | 71,305 | 71,840 | 72,378 | 72,921 |
| Less: Uses of Funds | (287,502) | (211,376) | (125,000) | (1,032,370) | 0 | (95,297) | (449,926) |
| Ending Balance | \$590,599 | \$465,889 | \$428,205 | \$0 | \$71,840 | \$48,921 | (\$0) |
| Fixed Asset Replacement Fund | | | | | | | |
| Beginning Balance | \$621,529 | \$809,010 | \$829,284 | \$894,699 | \$268,715 | \$363,132 | \$740,740 |
| Plus: Additions | 321,320 | 144,615 | 224,748 | (55,413) | 424,428 | 435,506 | 370,827 |
| Less: Uses of Funds | (133,839) | (124,342) | (159,333) | (570,570) | (330,011) | (57,899) | (62,263) |
| Ending Balance | \$809,010 | \$829,284 | \$894,699 | \$268,715 | \$363,132 | \$740,740 | \$1,049,304 |
| Total Operating Reserve Funds | \$809,010 | \$829,284 | \$894,699 | \$268,715 | \$363,132 | \$740,740 | \$1,049,304 |
| Total Target Ending Fund Balance (60 days of O&M) | \$240,761 | \$288,744 | \$234,677 | \$242,190 | \$250,162 | \$257,935 | \$265,691 |

Squaw Valley PSD
Water Budget
Revenue Requirement

| | | Actual | Expected | Projected | | | | |
|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Squaw Valley PSD Water Budget Revenue Requirement Summary | | | | | | | | |
| | | Actual | Expected | Projected | | | | |
| | | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Revenue | | | | | | | | |
| | Rate Revenues | \$1,736,972 | \$1,815,013 | \$1,960,538 | \$1,975,242 | \$1,990,056 | \$2,004,982 | \$2,020,019 |
| | Non-Operating Revenues | 295,185 | 469,976 | 218,141 | 209,735 | 202,566 | 209,502 | 217,390 |
| | Total Revenues | \$2,032,156 | \$2,284,990 | \$2,178,679 | \$2,184,977 | \$2,192,622 | \$2,214,484 | \$2,237,409 |
| Expenses | | | | | | | | |
| | Total Water Department Expenses | \$747,113 | \$934,188 | \$765,153 | \$793,170 | \$818,532 | \$844,756 | \$871,873 |
| | Total Administration Expenses | 717,518 | 822,335 | 662,467 | 680,152 | 703,288 | 724,351 | 744,416 |
| | Total O&M Expenses | \$1,464,631 | \$1,756,524 | \$1,427,621 | \$1,473,322 | \$1,521,820 | \$1,569,106 | \$1,616,288 |
| | Net Annual Debt Service | \$106,426 | \$383,851 | \$526,310 | \$313,218 | \$408,763 | \$460,222 | \$265,328 |
| | Rate Funded Capital (CRP) | \$133,839 | \$50,000 | \$200,000 | \$350,000 | \$400,000 | \$400,000 | \$400,000 |
| | Transfer To / (From) Reserves | \$327,261 | \$94,615 | \$24,748 | \$127,447 | \$24,428 | \$35,506 | \$298,911 |
| Total Revenue Requirement | | \$2,032,156 | \$2,284,990 | \$2,178,679 | \$2,263,987 | \$2,355,011 | \$2,464,834 | \$2,580,527 |
| Proposed Rate Adjustment | | 0.0% | 0.0% | 0.0% | 4.0% | 4.0% | 4.0% | 4.0% |
| | Add'l Revenue from Adj. | \$0 | \$0 | \$0 | \$79,010 | \$162,389 | \$250,350 | \$343,118 |
| | Total Bal/(Def.) of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Additional Rate Increase Needed | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | Total Operating Reserve Funds | \$809,010 | \$829,284 | \$894,699 | \$268,715 | \$363,132 | \$740,740 | \$1,049,304 |
| | Total Target Ending Fund Balance (60 days of O&M) | \$240,761 | \$288,744 | \$234,677 | \$242,190 | \$250,162 | \$257,935 | \$265,691 |

Squaw Valley PSD
 Sewer Budget
 Escalation Factors

| | Actual | Expected | Projected | | | | |
|---------------------------|---------|----------|-----------|---------|---------|---------|---------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Revenues | | | | | | | |
| Customer Growth | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% | 0.8% | 0.8% |
| Property Tax Revenues | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Miscellaneous Revenues | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Expenses | | | | | | | |
| Labor | Actual | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Sewer Dept. Labor | | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Benefits - Medical | Actual | Budgeted | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Benefits - Other | Actual | Budgeted | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |
| Materials & Supplies | Actual | Budgeted | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| Equipment | Actual | Budgeted | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| Miscellaneous | Actual | Budgeted | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Utilities | Actual | Budgeted | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |
| Flat | Actual | Budgeted | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Insurance | Actual | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Interest | Actual | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| New Debt Service | | | | | | | |
| <i>Low Interest Loans</i> | | | | | | | |
| Term in Years | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Rate | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| <i>Revenue Bond</i> | | | | | | | |
| Term in Years | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Rate | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% |

Squaw Valley PSD
 Sewer Budget
 Revenue Requirement

| | Actual FY 2018 | Expected FY 2019 | FY 2020 | FY 2021 | Projected | | |
|---|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | | | FY 2022 | FY 2023 | FY 2024 |
| Revenues | | | | | | | |
| <i>Rate Revenues</i> | | | | | | | |
| <i>Total Rate Revenues</i> | \$1,226,613 | \$1,397,313 | \$1,472,857 | \$1,480,221 | \$1,487,623 | \$1,498,780 | \$1,510,021 |
| <i>Non-Operating Revenues</i> | | | | | | | |
| <i>Total Non-Operating Revenues</i> | \$124,404 | \$119,763 | \$124,920 | \$101,689 | \$99,305 | \$97,176 | \$94,651 |
| Total Revenues | \$1,351,018 | \$1,517,075 | \$1,597,777 | \$1,581,910 | \$1,586,928 | \$1,595,956 | \$1,604,672 |
| <u>Sewer Department Expenses</u> | | | | | | | |
| Salaries & Wages | | | | | | | |
| <i>Total Salaries & Wages</i> | \$208,136 | \$234,485 | 419,905 | \$432,502 | \$445,477 | \$458,841 | \$472,606 |
| Employee Benefits | | | | | | | |
| <i>Total Employee Benefits</i> | \$124,409 | \$106,087 | 173,707 | \$181,276 | \$189,182 | \$197,442 | \$206,070 |
| Materials and Supplies | | | | | | | |
| <i>Total Materials and Supplies</i> | \$5,491 | \$10,250 | \$12,000 | \$12,300 | \$12,608 | \$12,923 | \$13,246 |
| Maintenance Equipment | | | | | | | |
| <i>Total Maintenance Equipment</i> | \$5,121 | \$4,660 | \$8,850 | \$9,071 | \$9,298 | \$9,530 | \$9,769 |
| Facilities-Maint/Repair | | | | | | | |
| <i>Total Facilities-Maint/Repair</i> | \$9,240 | \$11,244 | \$18,042 | \$23,493 | \$24,080 | \$24,682 | \$25,299 |
| Training & Memberships | | | | | | | |
| <i>Total Training & Memberships</i> | \$5,309 | \$5,151 | \$8,350 | \$8,434 | \$8,518 | \$8,603 | \$8,689 |

Squaw Valley PSD
 Sewer Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Vehicle Maintenance & Repair | | | | | | | |
| <i>Total Vehicle Maintenance & Repair</i> | \$15,259 | \$11,865 | \$20,950 | \$19,974 | \$20,473 | \$20,985 | \$21,510 |
| Total Sewer Department Expenses | \$372,966 | \$383,742 | \$661,803 | \$687,049 | \$709,636 | \$733,006 | \$757,189 |
| <u>Administration Expenses</u> | | | | | | | |
| Salaries & Wages (50% Allocation) | | | | | | | |
| <i>Total Salaries & Wages</i> | \$145,403 | \$161,180 | \$233,030 | \$240,021 | \$247,222 | \$254,638 | \$262,278 |
| Employee Benefits (50% Allocation) | | | | | | | |
| <i>Total Employee Benefits</i> | \$95,009 | \$127,038 | 162,634 | \$168,069 | \$176,627 | \$182,643 | \$187,178 |
| Board Expenses (50% Allocation) | | | | | | | |
| <i>Total Board Expenses</i> | \$17,004 | \$18,026 | \$27,900 | \$26,038 | \$26,051 | \$26,064 | \$26,077 |
| Consulting (50% Allocation) | | | | | | | |
| <i>Total Consulting</i> | \$15,427 | \$20,014 | \$52,430 | \$54,003 | \$55,623 | \$57,292 | \$59,010 |
| Insurance (50% Allocation) | | | | | | | |
| <i>Total Insurance</i> | \$13,886 | \$15,512 | \$25,293 | \$26,052 | \$26,833 | \$27,638 | \$28,467 |
| Special Fees (50% Allocation) | | | | | | | |
| <i>Total Special Fees</i> | \$21,243 | \$19,526 | \$30,415 | \$30,611 | \$30,809 | \$31,009 | \$31,211 |
| Office Expenses (50% Allocation) | | | | | | | |
| <i>Total Office Expenses</i> | \$13,385 | \$16,138 | \$26,401 | \$27,061 | \$27,738 | \$28,431 | \$29,142 |

Squaw Valley PSD
Sewer Budget
Revenue Requirement

| | Actual FY 2018 | Expected FY 2019 | Projected | | | | |
|---|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Travel & Meetings (50% Allocation) | | | | | | | |
| <i>Total Travel & Meetings</i> | \$3,352 | \$5,793 | \$8,325 | \$8,408 | \$8,492 | \$8,577 | \$8,663 |
| Utilities (50% Allocation) | | | | | | | |
| <i>Total Utilities</i> | \$21,334 | \$23,818 | \$32,496 | \$33,796 | \$35,148 | \$36,554 | \$38,016 |
| Interest and Misc (50% Allocation) | | | | | | | |
| <i>Total Interest and Misc</i> | \$10,583 | \$12,067 | \$18,391 | \$19,127 | \$19,892 | \$20,687 | \$21,515 |
| Total Administration Expenses | \$356,626 | \$419,111 | \$617,315 | \$633,185 | \$654,434 | \$673,534 | \$691,557 |
| Total Operations & Maintenance | \$729,592 | \$802,853 | \$1,279,119 | \$1,320,234 | \$1,364,070 | \$1,406,540 | \$1,448,746 |
| Annual Debt Service | | | | | | | |
| Facility Loan | 28,900 | 29,862 | 30,856 | 31,884 | 32,946 | 34,043 | 35,176 |
| CalPERS Loan to Fire Department | | | 0 | 105,000 | 100,000 | 0 | 0 |
| CalPERS Additional UAL Payments | 0 | 255,000 | 200,000 | 300,000 | 200,000 | 200,000 | |
| <i>Total Annual Debt Service</i> | (\$31,369) | \$202,339 | \$172,721 | \$379,817 | \$312,130 | \$234,043 | \$35,176 |
| Net Annual Debt Service | (\$31,369) | \$202,339 | \$172,721 | \$379,817 | \$312,130 | \$234,043 | \$35,176 |
| Rate Funded Capital (CRP) | \$300,000 | \$325,000 | \$50,000 | \$30,000 | \$35,000 | \$150,000 | \$400,000 |
| Transfer To / (From) Reserves | | | | | | | |
| To/(From) Operating Reserve | \$352,795 | \$0 | \$0 | \$0 | (\$0) | \$0 | \$0 |
| To/(From) Capital Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| To/(From) FARF | 0 | 186,883 | 95,937 | (74,130) | 28,209 | 41,618 | 46,168 |
| <i>Total Transfer To / (From) Reserves</i> | \$352,795 | \$186,883 | \$95,937 | (\$74,130) | \$28,209 | \$41,618 | \$46,168 |
| Total Revenue Requirement | \$1,351,018 | \$1,517,075 | \$1,597,777 | \$1,655,921 | \$1,739,409 | \$1,832,201 | \$1,930,091 |

Squaw Valley PSD
 Sewer Budget
 Revenue Requirement

| | Actual FY 2018 | Expected FY 2019 | Projected | | | | |
|---|-------------------|---------------------|-------------|-------------|-------------|-------------|-----------|
| | | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Proposed Rate Adjustment | 0.0% | | | 5.0% | 5.0% | 5.0% | 5.0% |
| <i>Cumulative Proposed Rate Adj.</i> | | | | | | | |
| Add'l Revenue from Adj. | \$0 | \$0 | \$0 | \$74,011 | \$152,481 | \$236,245 | \$325,419 |
| Total Bal/(Def.) of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Additional Rate Increase Needed | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Capital Reserve | | | | | | | |
| Beginning Balance | \$0 | \$0 | \$0 | \$0 | \$33,331 | \$66,828 | (\$0) |
| Plus: Additons | 45,941 | 182,000 | 1,101,835 | 0 | 0 | 100,332 | 398,850 |
| Plus: Connection Fees | 40,209 | 33,000 | 33,165 | 33,331 | 33,497 | 33,749 | 34,002 |
| Less: Uses of Funds | (86,150) | (215,000) | (1,135,000) | 0 | 0 | (200,909) | (432,852) |
| Ending Balance | \$0 | \$0 | \$0 | \$33,331 | \$66,828 | (\$0) | (\$0) |
| I&I Reserve | | | | | | | |
| Beginning Balance | \$154,645 | \$157,844 | \$157,844 | \$191,009 | \$224,340 | \$257,838 | \$291,586 |
| Plus: Additons | 3,200 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plus: Connection Fees | | 0 | 33,165 | 33,331 | 33,497 | 33,749 | 34,002 |
| Less: Uses of Funds | | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Balance | \$157,844 | \$157,844 | \$191,009 | \$224,340 | \$257,838 | \$291,586 | \$325,588 |
| Fixed Asset Replacement Fund | | | | | | | |
| Beginning Balance | \$3,153,892 | \$3,574,073 | \$3,627,065 | \$1,583,102 | \$1,197,677 | \$1,204,208 | \$943,733 |
| Plus: Additons | 591,227 | 329,883 | (955,898) | 30,000 | 63,209 | 91,286 | 47,318 |
| Less: Uses of Funds | (171,045) | (276,892) | (1,088,065) | (415,425) | (56,678) | (351,762) | (47,640) |
| Ending Balance | \$3,574,073 | \$3,627,065 | \$1,583,102 | \$1,197,677 | \$1,204,208 | \$943,733 | \$943,410 |
| Total Operating Reserve Funds | \$3,574,073 | \$3,627,065 | \$1,583,102 | \$1,197,677 | \$1,204,208 | \$943,733 | \$943,410 |
| Total Target Ending Fund Balance | \$119,933 | \$131,976 | \$210,266 | \$217,025 | \$224,231 | \$231,212 | \$238,150 |

Squaw Valley PSD
Sewer Budget
Revenue Requirement

| | Actual FY 2018 | Expected FY 2019 | FY 2020 | FY 2021 | Projected | | |
|--|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | | | FY 2022 | FY 2023 | FY 2024 |
| Squaw Valley PSD Sewer Budget Revenue Requirement Summary | | | | | | | |
| Revenue | | | | | | | |
| Rate Revenues | \$1,226,613 | \$1,397,313 | \$1,472,857 | \$1,480,221 | \$1,487,623 | \$1,498,780 | \$1,510,021 |
| Non-Operating Revenues | 124,404 | 119,763 | 124,920 | 101,689 | 99,305 | 97,176 | 94,651 |
| Total Revenues | \$1,351,018 | \$1,517,075 | \$1,597,777 | \$1,581,910 | \$1,586,928 | \$1,595,956 | \$1,604,672 |
| Expenses | | | | | | | |
| Total Sewer Department Expenses | \$372,966 | \$383,742 | \$661,803 | \$687,049 | \$709,636 | \$733,006 | \$757,189 |
| Total Administration Expenses | 356,626 | 419,111 | 617,315 | 633,185 | 654,434 | 673,534 | 691,557 |
| Total O&M Expenses | \$729,592 | \$802,853 | \$1,279,119 | \$1,320,234 | \$1,364,070 | \$1,406,540 | \$1,448,746 |
| Net Annual Debt Service | (\$31,369) | \$202,339 | \$172,721 | \$379,817 | \$312,130 | \$234,043 | \$35,176 |
| Rate Funded Capital (CRP) | \$300,000 | \$325,000 | \$50,000 | \$30,000 | \$35,000 | \$150,000 | \$400,000 |
| Transfer To / (From) Reserves | \$352,795 | \$186,883 | \$95,937 | (\$74,130) | \$28,209 | \$41,618 | \$46,168 |
| Total Revenue Requirement | \$1,351,018 | \$1,517,075 | \$1,597,777 | \$1,655,921 | \$1,739,409 | \$1,832,201 | \$1,930,091 |
| Proposed Rate Adjustment | 0.0% | 0.0% | 0.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Add'l Revenue from Adj. | \$0 | \$0 | \$0 | \$74,011 | \$152,481 | \$236,245 | \$325,419 |
| Total Bal/(Def.) of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Additional Rate Increase Needed | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Operating Reserve Funds | \$3,574,073 | \$3,627,065 | \$1,583,102 | \$1,197,677 | \$1,204,208 | \$943,733 | \$943,410 |
| Total Target Ending Fund Balance | \$119,933 | \$131,976 | \$210,266 | \$217,025 | \$224,231 | \$231,212 | \$238,150 |

**Squaw Valley PSD
Fire Department Budget
Escalation Factors**

| | | Actual | Expected | Projected | | | | |
|---------------------------|------------------------|----------------|-----------------|------------------|----------------|----------------|----------------|----------------|
| | | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Revenues | | | | | | | | |
| | Flat | Actual | Budgeted | Budgeted | 0.0% | 0.0% | 0.0% | 0.0% |
| | Property Tax Revenues | Actual | Budgeted | Budgeted | 1.0% | 1.0% | 1.0% | 1.0% |
| | Miscellaneous Revenues | Actual | Budgeted | Budgeted | 1.0% | 1.0% | 1.0% | 1.0% |
| Expenses | | | | | | | | |
| | Fire Department Labor | Actual | Budgeted | Budgeted | 2.0% | 2.0% | 2.0% | 2.0% |
| | Admin Dept. Labor | Actual | Budgeted | Budgeted | 2.0% | 2.0% | 2.0% | 2.0% |
| | Benefits - Medical | Actual | Budgeted | Budgeted | 5.0% | 5.0% | 5.0% | 5.0% |
| | Benefits - Other | Actual | Budgeted | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% |
| | Materials & Supplies | Actual | Budgeted | Budgeted | 2.5% | 2.5% | 2.5% | 2.5% |
| | Equipment | Actual | Budgeted | Budgeted | 2.5% | 2.5% | 2.5% | 2.5% |
| | Miscellaneous | Actual | Budgeted | Budgeted | 1.0% | 1.0% | 1.0% | 1.0% |
| | Utilities | Actual | Budgeted | Budgeted | 4.0% | 4.0% | 4.0% | 4.0% |
| | Flat | Actual | Budgeted | Budgeted | 0.0% | 0.0% | 0.0% | 0.0% |
| | Insurance | Actual | Budgeted | Budgeted | 3.0% | 3.0% | 3.0% | 3.0% |
| Interest | | Actual | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| New Debt Service | | | | | | | | |
| Low Interest Loans | | | | | | | | |
| | Term in Years | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| | Rate | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| Revenue Bond | | | | | | | | |
| | Term in Years | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| | Rate | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% |

Squaw Valley PSD
 Fire Department Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Revenues | | | | | | | |
| <i>Total Rate Revenues</i> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Non-Operating Revenues</i> | | | | | | | |
| <i>Total Non-Operating Revenues</i> | \$3,553,373 | \$3,638,546 | \$3,853,363 | \$3,910,106 | \$3,938,676 | \$3,971,984 | \$4,056,751 |
| Total Revenues | \$3,553,373 | \$3,638,546 | \$3,853,363 | \$3,910,106 | \$3,938,676 | \$3,971,984 | \$4,056,751 |

Fire Department Expenses

Salaries & Wages

| | | | | | | | |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <i>Total Salaries & Wages</i> | \$1,916,541 | \$1,862,933 | \$1,913,697 | \$1,952,471 | \$1,992,021 | \$2,032,361 | \$2,073,508 |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|

Employee Benefits

| | | | | | | | |
|--------------------------------|-------------|-----------|-----------|-------------|-------------|-------------|-------------|
| <i>Total Employee Benefits</i> | \$1,046,503 | \$955,642 | \$972,089 | \$1,017,456 | \$1,068,947 | \$1,115,653 | \$1,156,625 |
|--------------------------------|-------------|-----------|-----------|-------------|-------------|-------------|-------------|

Materials and Supplies

| | | | | | | | |
|-------------------------------------|----------|----------|----------|----------|----------|----------|----------|
| <i>Total Materials and Supplies</i> | \$26,558 | \$28,600 | \$29,525 | \$30,263 | \$31,020 | \$31,795 | \$32,590 |
|-------------------------------------|----------|----------|----------|----------|----------|----------|----------|

Equipment Maintenance & Repair

| | | | | | | | |
|---|----------|----------|----------|----------|----------|----------|----------|
| <i>Total Equipment Maintenance & Repa</i> | \$14,915 | \$14,300 | \$18,935 | \$19,408 | \$19,894 | \$20,391 | \$20,901 |
|---|----------|----------|----------|----------|----------|----------|----------|

Facilities-Maint/Repair

| | | | | | | | |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|
| <i>Total Facilities-Maint/Repair</i> | \$25,257 | \$28,800 | \$32,850 | \$33,671 | \$34,513 | \$35,376 | \$36,260 |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|

Squaw Valley PSD
 Fire Department Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Training & Memberships | | | | | | | |
| <i>Total Training & Memberships</i> | \$33,771 | \$40,000 | \$44,220 | \$44,662 | \$45,109 | \$45,560 | \$46,016 |
| Vehicle Maintenance & Repair | | | | | | | |
| <i>Total Vehicle Maintenance & Repair</i> | \$34,627 | \$30,150 | \$30,300 | \$31,058 | \$31,834 | \$32,630 | \$33,446 |
| Total Fire Department Expenses | \$3,098,173 | \$2,960,425 | \$3,041,616 | \$3,128,989 | \$3,223,337 | \$3,313,765 | \$3,399,345 |
| <u>Administration Expenses</u> | | | | | | | |
| Board Expenses | | | | | | | |
| <i>Total Board Expenses</i> | \$16,194 | \$17,085 | \$18,600 | \$17,359 | \$17,367 | \$17,376 | \$17,385 |
| Consulting | | | | | | | |
| <i>Total Consulting</i> | \$12,690 | \$13,550 | \$24,736 | \$15,031 | \$15,331 | \$15,638 | \$15,951 |
| Insurance | | | | | | | |
| <i>Total Insurance</i> | \$26,542 | \$28,026 | \$30,129 | \$31,033 | \$31,964 | \$32,923 | \$33,910 |
| Special Fees | | | | | | | |
| <i>Total Special Fees</i> | \$46,678 | \$62,621 | \$69,235 | \$69,927 | \$70,627 | \$71,333 | \$72,046 |
| Office Expenses | | | | | | | |
| <i>Total Office Expenses</i> | \$13,657 | \$13,497 | \$16,600 | \$14,215 | \$14,570 | \$14,935 | \$15,308 |

Squaw Valley PSD
 Fire Department Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Travel & Meetings | | | | | | | |
| <i>Total Travel & Meetings</i> | \$8,011 | \$8,725 | \$24,000 | \$24,240 | \$24,482 | \$24,727 | \$24,974 |
| Utilities | | | | | | | |
| <i>Total Utilities</i> | \$39,518 | \$42,705 | \$42,927 | \$44,644 | \$46,430 | \$48,287 | \$50,219 |
| Total Administration Expenses | \$163,290 | \$186,209 | \$226,227 | \$216,449 | \$220,772 | \$225,218 | \$229,793 |
| Total Operations & Maintenance | \$3,261,463 | \$3,146,634 | \$3,267,843 | \$3,345,438 | \$3,444,108 | \$3,538,984 | \$3,629,138 |
| Annual Debt Service | | | | | | | |
| CalPERS SideFund Loan | \$32,603 | \$36,695 | \$36,695 | \$35,627 | \$0 | \$0 | \$0 |
| Facility Loan | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CalPERS Additional UAL Payments | 0 | 425,000 | 220,000 | 210,000 | 200,000 | 197,000 | 200,000 |
| New SRF Loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Revenue Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Annual Debt Service | \$32,603 | \$461,695 | \$256,695 | \$245,627 | \$200,000 | \$197,000 | \$200,000 |
| Contributions to Capital (CRP) | \$141,748 | \$0 | \$250,000 | \$250,000 | \$250,000 | \$200,000 | \$200,000 |

Squaw Valley PSD
 Fire Department Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Transfer To / (From) Reserves | | | | | | | |
| To/(From) Operating Reserve | \$0 | (\$0) | \$0 | \$0 | (\$0) | (\$0) | \$0 |
| To/(From) Capital Reserve | 117,559 | 0 | 0 | 0 | 0 | 0 | 0 |
| To/(From) FARF | 0 | 30,217 | 78,824 | 69,041 | 44,568 | 36,000 | 27,613 |
| Total Transfer To / (From) Reserves | \$117,559 | \$30,217 | \$78,824 | \$69,041 | \$44,568 | \$36,000 | \$27,613 |
| Total Revenue Requirement | \$3,553,373 | \$3,638,546 | \$3,853,363 | \$3,910,106 | \$3,938,676 | \$3,971,984 | \$4,056,751 |
| Bal/(Def.) of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Reserve | | | | | | | |
| Beginning Balance | \$236,825 | \$2,450 | \$18,950 | \$0 | \$16,665 | \$33,497 | \$50,497 |
| Plus: Additions | 117,559 | 0 | 14,550 | 0 | 0 | 0 | 0 |
| Plus: Connection Fees | 16,000 | 16,500 | 16,500 | 16,665 | 16,832 | 17,000 | 17,170 |
| Less: Uses of Funds | (367,934) | 0 | (50,000) | 0 | 0 | 0 | 0 |
| Ending Balance | \$2,450 | 18,950 | \$0 | \$16,665 | \$33,497 | \$50,497 | \$67,667 |
| Fixed Asset Replacement Fund | | | | | | | |
| Beginning Balance | \$392,668 | \$501,944 | \$367,714 | \$578,668 | \$600,585 | \$764,022 | \$522,998 |
| Plus: Additions | 176,802 | 30,217 | 328,824 | 319,041 | 294,568 | 236,000 | 227,613 |
| Less: Uses of Funds | (67,526) | (164,447) | (117,870) | (297,123) | (131,131) | (477,024) | (555,269) |
| Ending Balance | \$501,944 | \$367,714 | \$578,668 | \$600,585 | \$764,022 | \$522,998 | \$195,342 |
| Total Operating Reserve Funds | \$501,944 | \$367,714 | \$578,668 | \$600,585 | \$764,022 | \$522,998 | \$195,342 |
| Total Target Ending Fund Balance (60 days of O&M) | \$536,131 | \$517,255 | \$537,180 | \$549,935 | \$566,155 | \$581,751 | \$596,571 |

Squaw Valley PSD
 Fire Department Budget
 Revenue Requirement

| | Actual | Expected | Projected | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Squaw Valley PSD Fire Department Budget Revenue Requirement Summary | | | | | | | |
| Rate Revenues | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Non-Operating Revenues | 3,553,373 | 3,638,546 | 3,853,363 | 3,910,106 | 3,938,676 | 3,971,984 | 4,056,751 |
| Total Revenues | \$3,553,373 | \$3,638,546 | \$3,853,363 | \$3,910,106 | \$3,938,676 | \$3,971,984 | \$4,056,751 |
| Expenses | | | | | | | |
| Total Fire Department Expenses | \$3,098,173 | \$2,960,425 | \$3,041,616 | \$3,128,989 | \$3,223,337 | \$3,313,765 | \$3,399,345 |
| Total Administration Expenses | 163,290 | 186,209 | 226,227 | 216,449 | 220,772 | 225,218 | 229,793 |
| Total O&M Expenses | \$3,261,463 | \$3,146,634 | \$3,267,843 | \$3,345,438 | \$3,444,108 | \$3,538,984 | \$3,629,138 |
| Net Annual Debt Service | \$32,603 | \$461,695 | \$256,695 | \$245,627 | \$200,000 | \$197,000 | \$200,000 |
| Contributions to Capital (CRP) | \$141,748 | \$0 | \$250,000 | \$250,000 | \$250,000 | \$200,000 | \$200,000 |
| Transfer To / (From) Reserves | \$117,559 | \$30,217 | \$78,824 | \$69,041 | \$44,568 | \$36,000 | \$27,613 |
| Total Revenue Requirement | \$3,553,373 | \$3,638,546 | \$3,853,363 | \$3,910,106 | \$3,938,676 | \$3,971,984 | \$4,056,751 |
| Balance/(Deficiency) of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Reserve Funds | \$501,944 | \$367,714 | \$578,668 | \$600,585 | \$764,022 | \$522,998 | \$195,342 |
| Total Target Ending Fund Balance (60 days of O&M) | \$536,131 | \$517,255 | \$537,180 | \$549,935 | \$566,155 | \$581,751 | \$596,571 |

SQUAW VALLEY PUBLIC SERVICE DISTRICT

Summary of Monthly Salary Schedules

Includes 2.31% COLA effective July 6, 2019 for all Operations positions.
Includes salary survey results effective July 6, 2019 for all Administration positions.
General Manager wage per employment agreement effective July 1, 2019

| Position | MONTHLY SALARY STEP | | | | |
|--|---------------------|-----------|-----------|-----------|-----------|
| | 1 | 2 | 3 | 4 | 5 |
| ADMINISTRATION | | | | | |
| General Manager | Contract | | | | 20,833.49 |
| Finance & Administration Manager | 10,790.16 | 11,329.67 | 11,896.15 | 12,490.96 | 13,115.51 |
| Account Clerk II / Human Resource Specialist | 7,067.31 | 7,420.68 | 7,791.71 | 8,181.30 | 8,590.36 |
| Account Clerk II | - | - | - | - | - |
| Account Clerk I | - | - | - | - | - |
| Board Secretary | 7,056.09 | 7,408.89 | 7,779.33 | 8,168.30 | 8,576.72 |
| Office Manager | - | - | - | - | - |
| Office Supervisor | 5,513.71 | 5,789.40 | 6,078.87 | 6,382.81 | 6,701.95 |
| Administrative Assistant | - | - | - | - | - |
| OPERATIONS DEPARTMENT | | | | | |
| District Engineer | 10,881.49 | 11,425.56 | 11,996.84 | 12,596.68 | 13,226.51 |
| Associate Engineer | 8,936.47 | 9,383.29 | 9,852.45 | 10,345.07 | 10,862.32 |
| Assistant Engineer | 7,656.96 | 8,039.81 | 8,441.80 | 8,863.89 | 9,307.08 |
| Junior Engineer | 5,847.96 | 6,140.36 | 6,447.38 | 6,769.75 | 7,108.24 |
| Operations Manager | 10,177.29 | 10,686.15 | 11,220.46 | 11,781.48 | 12,370.55 |
| Operations Superintendent | 9,081.48 | 9,535.55 | 10,012.33 | 10,512.95 | 11,038.60 |
| Operations Specialist III | 7,107.82 | 7,463.21 | 7,836.37 | 8,228.19 | 8,639.60 |
| Operations Specialist II | 5,866.36 | 6,159.68 | 6,467.66 | 6,791.04 | 7,130.59 |
| Operations Specialist I | 5,161.90 | 5,420.00 | 5,691.00 | 5,975.55 | 6,274.33 |
| Operations Specialist / Trainee | 4,331.68 | 4,548.26 | 4,775.67 | 5,014.45 | 5,265.17 |
| Operations Technology Specialist/Inspector | 6,529.89 | 6,856.38 | 7,199.20 | 7,559.16 | 7,937.12 |
| Operations Technology Specialist | - | - | - | - | - |
| Operations Technology Specialist Trainee | - | - | - | - | - |

Salaries with zero dollars are currently vacant and were not salary surveyed
 Re 07-06-19 - 2.31% COLA applied across all Operations. Salary Survey results applied across all Admin. GM received 3.31% increase
 Re 07-07-18 - 3.07% COLA applied across all positions. GM received 4.07% increase
 Rev 07-25-17 - GM salary revised and employment contract approved by Board.

SQUAW VALLEY PUBLIC SERVICE DISTRICT
Summary of Salary Schedules

Includes adjustments resulting from a salary survey of comparable positions per MOU effective July 6, 2019.
Includes 2.31% COLA and salary survey results effective July 6, 2019 for Fire Chief.

| Position | Range | Time Base | Salary Step | | | | |
|--|----------|-----------|--------------------------------------|---------------|---------------|---------------|---------------|
| | | | 1 | 2 | 3 | 4 | 5 |
| FIRE DEPARTMENT | | | | | | | |
| Fire Chief (effective July 6, 2019) | A | Monthly | | | | | 14,179 |
| Captain | B | Monthly | | | | | |
| | New Base | | 6878.85 | 7222.79 | 7583.93 | 7963.13 | 8361.29 |
| | FLSA | | <u>184.26</u> | <u>193.47</u> | <u>203.14</u> | <u>213.30</u> | <u>223.96</u> |
| | | | 7063.11 | 7416.27 | 7787.08 | 8176.43 | 8585.25 |
| Engineer | D | Monthly | | | | | |
| | New Base | | 6084.65 | 6388.88 | 6708.32 | 7043.74 | 7395.93 |
| | FLSA | | <u>163.00</u> | <u>171.15</u> | <u>179.71</u> | <u>188.68</u> | <u>198.11</u> |
| | | | 6247.64 | 6560.02 | 6888.02 | 7232.42 | 7594.04 |
| Firefighter | E | Monthly | | | | | |
| | New Base | | 5488.40 | 5762.82 | 6050.96 | 6353.51 | 6671.19 |
| | FLSA | | <u>147.01</u> | <u>154.36</u> | <u>162.08</u> | <u>170.18</u> | <u>178.69</u> |
| | | | 5635.42 | 5917.19 | 6213.05 | 6523.70 | 6849.88 |
| PT Firefighter (Trainee rate) | N/A | Hourly | | | | | 18.45 |
| PT Firefighter (Regular rate) | N/A | Hourly | | | | | 19.37 |
| PT Firefighter - EMT/ Paramedic (Regular rate) | N/A | Hourly | | | | | 20.74 |
| Paramedic | | Monthly | 10% increase to current salary range | | | | |

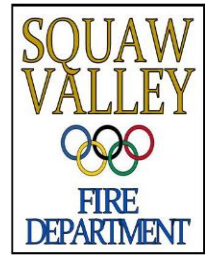
Rev 07-01-17

Rev 07-01-18

Rev 07-06-19 - Includes 2.31% COLA and salary survey results for Fire Chief.



SQUAW VALLEY PUBLIC SERVICE DISTRICT



Financial Reserves Policy – Annual Reserve Analysis

To: Board of Directors
From: Danielle Grindle, Finance & Administration Manager and Mike Geary, General Manager
Date: June 25, 2019
RE: Fire Fixed Asset Replacement Fund

Pursuant to the District's Financial Reserves Policy, a reserve analysis is performed at least annually as part of the District's budget preparations. The analysis was performed for the Water, Sewer, Fire, and Garbage Fixed Asset Replacement Funds' (FARFs') projected balances on June 30, 2019 as well as their projected balances for the next five years.

The analysis indicates current and projected reserve levels in the Fire Department's FARF will fall 10% below its targeted balances for "Operating" Reserves. The Policy stipulates that the minimum FARF balance for Operating Reserves is equal to two months of operating expenses. For the three (3) years noted below, the prescribed minimum balance targets and projected balances are as follows:

- June 30, 2019: minimum balance target = \$517,000 and projected balance = \$368,000
- June 30, 2023: minimum balance target = \$582,000 and projected balance = \$523,000
- June 30, 2024: minimum balance target = \$597,000 and projected balance = \$195,000

The Financial Reserves Policy provides that at least one of the following actions shall occur:

- An explanation of why the reserve levels are not at the targeted level, and/ or
- An identified course of action to bring reserve levels within the minimum levels prescribed.

The reserve level is 10% below this threshold because of the District's prioritization to pay down the Fire Department's CalPERS Unfunded Accrued Liability (UAL), for which the balance due by the District to CalPERS increases with interest by 7% annually. It is the District's goal to minimize the amount of interest paid on the UAL and plans to have the UAL paid down to a 90% funded level in the next six (6) years.

After the UAL balance is paid down, the District intends to contribute approximately \$250,000 per year to the Fire Department FARF, which will be sufficient to increase our reserve level above the minimum prescribed by the Financial Reserves Policy.

The analysis indicates that the Water, Sewer, and Garbage FARFs' projected balances on June 30, 2019, as well as their projected balances for the next five years, will meet the prescribed minimum levels for Operating, Capital, and Rate Stabilization Reserves. It also concludes that the Fire FARF will meet the minimum levels for Capital Reserves during the same period. Rate Stabilization Reserves are not applicable to the Fire FARF.

COST OF SERVICE ANALYSIS

2019-2020

In 2017 HDR Engineering, Inc. (HDR) was retained by the Squaw Valley Public Service District (District) to conduct a comprehensive water and sewer cost of service study (Study). The main objectives of the study were:

- Develop a projection of water and sewer revenues to support the District's operating and capital costs
- Equitably allocate the costs of providing water and sewer service to those customers receiving service
- Proposed cost-based and equitable rates for a multi-year time period

The cost of service analysis determined the equitable allocation of the revenue requirement to the various customer classes of service (e.g., single family, multi-family, commercial). The study consisted of three steps: (1) Revenue Requirement Analysis. This is where we compared the revenues to the expenses of the utility to determine the overall rate adjustment required. (2) Cost of Service Analysis. This is where we allocated the revenue requirement to the various customer classes of service in a "fair and equitable" manner. (3) Rate Design Analysis. This is where we considered both the level and structure of the rate design to collect the target level of revenues.

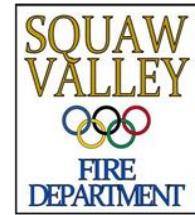
Developing cost-based and equitable rates is of paramount importance in developing proposed rates. Given this, the District's rates have been developed with the intent of meeting the legal requirements of California constitution article XIII D, section 6 (Article XIII D). A key component of this is the development of rates which reflect the cost of providing service and are proportionally allocated among the various customer classes of service.

The District currently has established customer classes of service and rate schedules for the single family residential, multi-family residential, commercial and commercial irrigation customers. For Water, Single family residential customers are charged an annual fixed charge and an increasing block, four-tier consumption charge. Multi-family customers have an annual fixed charged and a uniform rate for consumption. Commercial and Commercial Irrigation customers are charged similarly for the annual fixed charge by meter size and a uniform consumption charge. Lastly, single family irrigation will be combined with indoor use and charged under the single family residential rate structure. For Sewer, single family and multi-family residential customers are charged an annual fixed charge. Commercial customers get an annual fixed charge as well as a consumption fee for volumes greater than 75,000 gallons.

Please refer to our webpage at svpsd.org for full analysis of the rate study and proposed rates which were used in compiling this budget.



**SQUAW VALLEY PUBLIC SERVICE DISTRICT
CAPITAL PROJECT SUMMARY
PROPOSED BUDGET 2019-2020**



| | PROJECT COST | WATER DEPT | SEWER DEPT | GARBAGE DEPT | Fire |
|--|-------------------------|-----------------------|-----------------------|-------------------------|----------------|
| CAPITAL IMPROVEMENTS | | | | | |
| Water Capital | | | | | |
| PlumpJack Well | 125,000 | 125,000 | | | |
| Sewer Capital | | | | | |
| Truckee River Siphon - Expansion | 1,045,000 | | 1,045,000 | | |
| Granite Chief Sewer A Line | 90,000 | | 90,000 | | |
| Fire Capital | | | | | |
| Regional Training Facility | 50,000 | | | | 50,000 |
| TOTAL CAPITAL IMPROVEMENTS | 1,310,000 | 125,000 | 1,135,000 | - | 50,000 |
| CAPITAL REPLACEMENTS (FARF's) | | | | | |
| Water | | | | | |
| Hydrants | 21,000 | 21,000 | | | |
| West Tank Recoating | 20,000 | 20,000 | | | |
| Residential Meter Replacement | 20,000 | 20,000 | | | |
| Sewer | | | | | |
| Sewer Line Rehabilitation/Replacement | 25,000 | | 25,000 | | |
| Sewer Inspection Project | 109,732 | | 109,732 | | |
| Truckee River Siphon - Replace | 855,000 | | 855,000 | | |
| Fire | | | | | |
| Turnout Gear Replacement | 14,987 | | | | 14,987 |
| Hose Replacement | 3,000 | | | | 3,000 |
| Turnout Racks | 8,500 | | | | 8,500 |
| Class A Uniforms | 6,000 | | | | 6,000 |
| Automated External Defibrillators | 7,000 | | | | 7,000 |
| Shared Assets | | | | | |
| Pump Bypass (Tentative) | 32,000 | 16,000 | 16,000 | | |
| Air Compressor (Tentative) | 22,000 | 11,000 | 11,000 | | |
| Radios | 15,000 | 7,500 | 7,500 | | |
| 305 Exterior Paint | 40,000 | 13,333 | 13,333 | | 13,333 |
| 305 - Replace IT Hardware | 15,000 | 5,000 | 5,000 | | 5,000 |
| 305 AC Slurry Seal/Pave Patch | 9,000 | 3,000 | 3,000 | | 3,000 |
| Laserfishe Document Management | 15,000 | 5,000 | 5,000 | | 5,000 |
| 1810 Replace Roof (Admin. Bldg.) | 75,000 | 18,750 | 18,750 | 18,750 | 18,750 |
| 1810 Replace Roof (Fire Station) | 75,000 | 18,750 | 18,750 | 18,750 | 18,750 |
| TOTAL CAPITAL REPLACEMENTS (FARF's) | 1,388,219 | 159,333 | 1,088,065 | 37,500 | 103,320 |
| TOTAL CAPITAL PROJECTS | 2,698,219 | 284,333 | 2,223,065 | 37,500 | 153,320 |

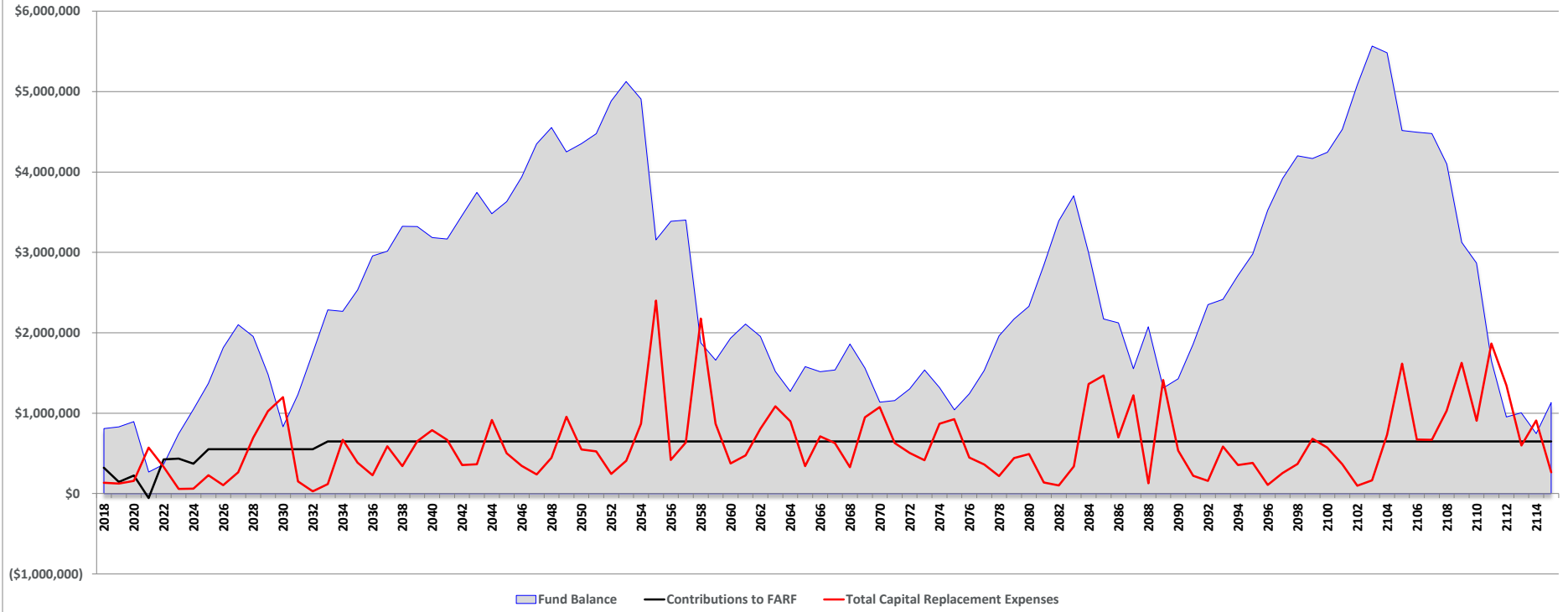
Squaw Valley PSD
Water Budget
Capital Projects

Inflation 2.9%

 ENR CCI 10 year average

| Capital Projects | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | Total |
|---|------------------|------------------|--------------------|------------------|------------------|------------------|--------------------|
| Capital Improvement Projects (CIP) | | | | | | | |
| Pressure Zone 1A | 0 | 0 | 0 | 0 | 95,297 | 449,926 | \$545,224 |
| PlumpJack Well | 25,000 | 125,000 | 1,032,370 | 0 | | 0 | \$1,182,370 |
| SV North Condos | 186,376 | 0 | 0 | 0 | 0 | 0 | \$186,376 |
| Total Capital Projects | \$211,376 | \$125,000 | \$1,032,370 | \$0 | \$95,297 | \$449,926 | \$1,913,970 |
| Capital Replacement Projects (CRP) | | | | | | | |
| Hydrants | 21,900 | 21,000 | 22,236 | 22,880 | 23,544 | 24,227 | \$135,787 |
| Tank Inspections and Recoating | 5,000 | 0 | 0 | 0 | 0 | 0 | \$5,000 |
| Residential Meter Replacements | 0 | 20,000 | 224,356 | 230,862 | 0 | 0 | \$475,218 |
| West Tank Inspection and recoating | 0 | 20,000 | 280,593 | 0 | 0 | 0 | \$300,593 |
| Zone 3 Booster Pump Station | 45,000 | 0 | 0 | 0 | 0 | 0 | \$45,000 |
| Zone 3 Recoating | 0 | 0 | 5,294 | 73,000 | 0 | 0 | \$78,294 |
| Vehicles | 0 | 0 | 26,418 | 0 | 25,954 | 0 | \$52,373 |
| Pump Bypass | 0 | 16,000 | 0 | 0 | 0 | 0 | \$16,000 |
| Air Compressor | 0 | 11,000 | 0 | 0 | 0 | 0 | \$11,000 |
| Elevator Repair | 3,293 | 0 | 0 | 0 | 0 | 0 | \$3,293 |
| Trimble GPS | 0 | 0 | 5,718 | 0 | 0 | 0 | 5,718 |
| SCBA Cart | 4,750 | 0 | 0 | 0 | 0 | 0 | \$4,750 |
| Radios | 0 | 7,500 | 0 | 0 | 0 | 0 | \$7,500 |
| 305 Replace Phone System | 12,333 | 0 | 0 | 0 | 0 | 0 | \$12,333 |
| 305 Locks | 6,667 | 0 | 0 | 0 | 0 | 0 | \$6,667 |
| 305 LED Light Replacement | 3,333 | 0 | 0 | 0 | 0 | 0 | \$3,333 |
| 305 Convault - Gas/Diesel Fuel Tank | 14,602 | 0 | 0 | 0 | 0 | 0 | \$14,602 |
| 305 Exterior Paint | 0 | 13,333 | 0 | 0 | 0 | 0 | \$13,333 |
| 305 AC Slurry Seal/Pave Patch | 0 | 3,000 | 0 | 3,269 | 0 | 3,461 | \$9,730 |
| Laserfishe Document Management | 0 | 5,000 | 0 | 0 | 0 | 0 | \$5,000 |
| 305 Replace IT Hardware | 0 | 5,000 | 0 | 0 | 0 | 0 | \$5,000 |
| 1810 Replace Roof (Admin. Bldg.) | 0 | 18,750 | 0 | 0 | 0 | 0 | \$18,750 |
| 1810 Replace Roof (Fire Station) | 0 | 18,750 | 0 | 0 | 0 | 0 | \$18,750 |
| Shared Facilities - 305 | 0 | 0 | 0 | 0 | 8,400 | 34,575 | \$42,975 |
| Shared Facilities - 1810 | 3,750 | 0 | 5,956 | 0 | 0 | 0 | \$9,706 |
| Total Capital Replcmnt. Projects | \$124,342 | 159,333 | \$570,570 | \$330,011 | \$57,899 | \$62,263 | \$1,300,705 |
| To Water FARF | \$50,000 | \$200,000 | (\$182,860) | \$400,000 | \$400,000 | \$71,916 | \$867,140 |
| Future Unidentified Projects | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| To Capital Reserves | \$0 | \$0 | \$532,860 | \$0 | \$0 | \$328,084 | \$860,944 |
| Total Capital Projects | \$385,718 | \$484,333 | \$1,952,940 | \$730,011 | \$553,196 | \$912,189 | \$4,942,759 |
| Less: Outside Funding Sources | | | | | | | |
| Operating Reserve | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Reserve | 211,376 | 125,000 | 1,032,370 | 0 | 95,297 | 449,926 | \$1,913,970 |
| Fixed Asset Replacement Fund | 124,342 | 159,333 | 570,570 | 330,011 | 57,899 | 62,263 | \$1,304,417 |
| New SRF Loans | 0 | 0 | 0 | 0 | 0 | 0 | \$0 |
| New Revenue Bonds | 0 | 0 | 0 | 0 | 0 | 0 | \$0 |
| Total Outside Funding Sources | \$335,718 | \$284,333 | \$1,602,940 | \$330,011 | \$153,196 | \$512,189 | \$3,218,387 |
| Rate Funded Capital (CRP) | \$50,000 | \$200,000 | \$350,000 | \$400,000 | \$400,000 | \$400,000 | \$1,533,839 |

Annual Water Capital Replacement Schedule (2019\$)

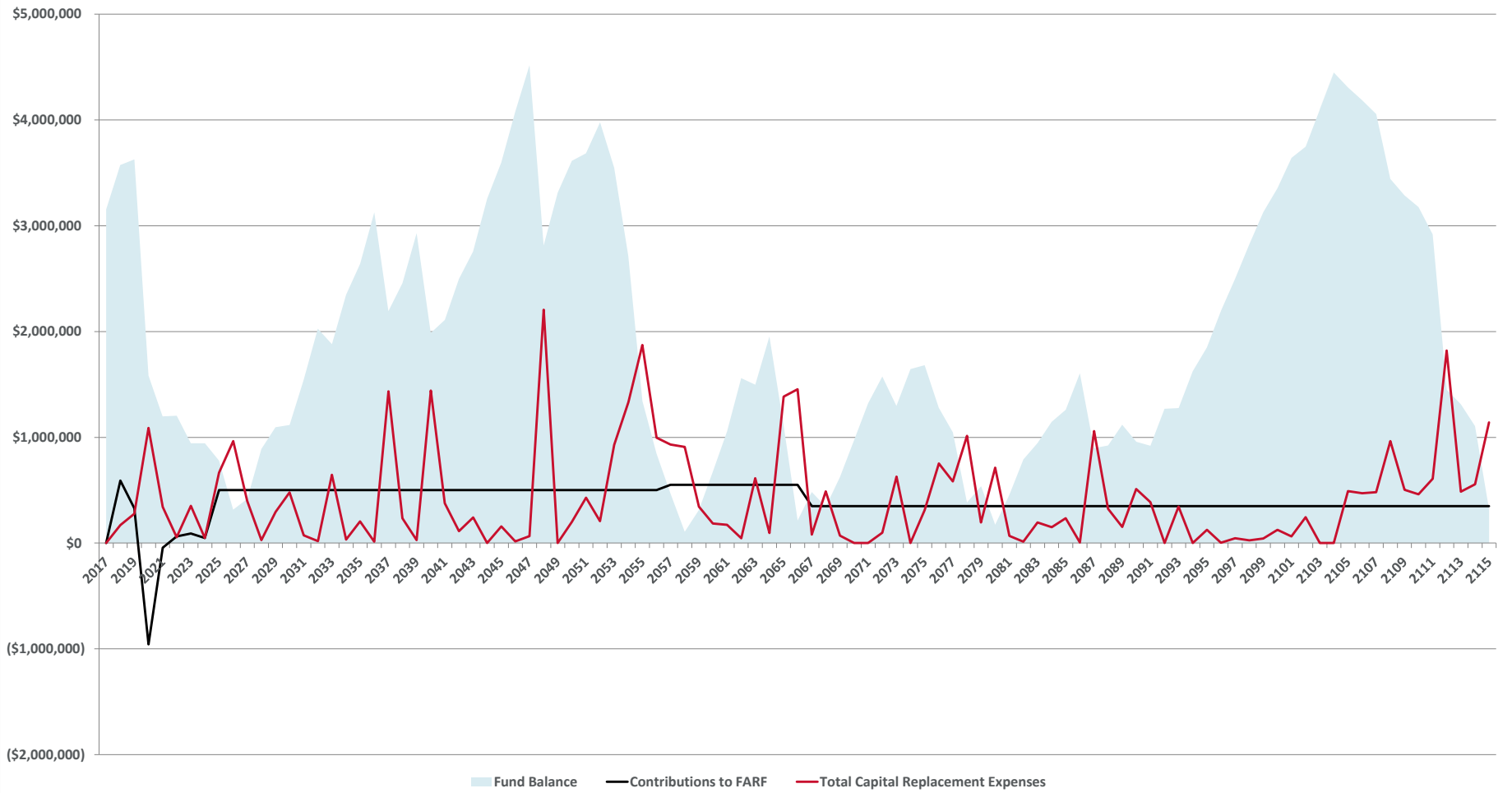


Squaw Valley PSD
Sewer Budget
Capital Projects

Inflation **2.9%** ENR CCI 10 year average

| Capital Projects | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | Total |
|---|------------------|----------------------|------------------|-----------------|------------------|------------------|--------------------|
| Capital Improvement Projects (CIP) | | | | | | | |
| Truckee River Siphon - Expansion | 165,000 | 1,045,000 | 0 | 0 | 0 | 0 | \$1,210,000 |
| Sewer Cleanout Installation | 0 | 0 | 0 | 0 | 200,909 | 432,852 | \$633,761 |
| Sewer Bypass Trailer and Hose | 50,000 | 0 | 0 | 0 | 0 | 0 | \$50,000 |
| Granite Chief A Line | 0 | 90,000 | 0 | 0 | 0 | 0 | \$90,000 |
| Dewatering Pumps | 0 | | | | | | \$0 |
| Sewer Flow Meters | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Capital Projects | \$215,000 | \$1,135,000 | \$0 | \$0 | \$200,909 | \$432,852 | \$1,983,761 |
| Capital Replacement Projects (CRP) | | | | | | | |
| Sewer Line Rehabilitation/Replacement | 25,000 | 25,000 | 127,061 | 0 | 0 | 0 | 177,061 |
| Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Easement | 0 | 0 | 0 | 0 | 317,407 | 0 | 317,407 |
| Towable 6" Bypass pump | 0 | 0 | 35,789 | 0 | 0 | 0 | 35,789 |
| Vehicles | 0 | 0 | 26,418 | 0 | 25,954 | 0 | 52,373 |
| CCTV | 68,200 | 109,732 | 140,353 | 53,409 | 0 | 0 | 371,694 |
| Truckee River Siphon - Replace | 135,000 | 855,000 | 0 | 0 | 0 | 0 | 990,000 |
| SCBA Cart | 4,750 | 0 | 0 | 0 | 0 | 0 | 4,750 |
| Radios | 0 | 7,500 | 0 | 0 | 0 | 0 | 7,500 |
| Pump Bypass | 0 | 16,000 | 0 | 0 | 0 | 0 | \$16,000 |
| Air Compressor | 0 | 11,000 | 0 | 0 | 0 | 0 | \$11,000 |
| Trimble GPS | 0 | 0 | 5,718 | 0 | 0 | 0 | 5,718 |
| Elevator Repair | 3,293 | 0 | 0 | 0 | 0 | 0 | 3,293 |
| 305 Replace Phone System | 12,333 | 0 | 0 | 0 | 0 | 0 | 12,333 |
| 305 Locks | 6,667 | 0 | 0 | 0 | 0 | 0 | 6,667 |
| 305 LED Light Replacement | 3,333 | 0 | 0 | 0 | 0 | 0 | 3,333 |
| 305 Convault - Gas/Diesel Fuel Tank | 14,602 | 0 | 0 | 0 | 0 | 0 | 14,602 |
| 305 Replace IT Hardware | 0 | 5,000 | 0 | 0 | 0 | 9,604 | 14,604 |
| 305 Exterior Paint | 0 | 13,333 | 0 | 0 | 0 | 0 | \$13,333 |
| 305 AC Slurry Seal/Pave Patch | 0 | 3,000 | 0 | 3,269 | 0 | 3,461 | \$9,730 |
| Laserfishe Document Management | 0 | 5,000 | 0 | 0 | 0 | 0 | \$5,000 |
| 1810 Replace Roof (Admin. Bldg.) | 0 | 18,750 | 0 | 0 | 0 | 0 | 18,750 |
| 1810 Replace Roof (Fire Station) | 0 | 18,750 | 0 | 0 | 0 | 0 | 18,750 |
| 1810 AC Slurry Seal/Pave Patch | 3,713 | 0 | 0 | 0 | 0 | 0 | 3,713 |
| Shared Facilities - 305 | 0 | 0 | 0 | 0 | 8,400 | 34,575 | 42,975 |
| Shared Facilities - 1810 | 0 | 0 | 5,956 | 0 | 0 | 0 | 5,956 |
| | \$276,892 | \$1,088,065 | \$341,295 | \$56,678 | \$351,762 | \$47,640 | \$2,162,331 |
| To Sewer FARF | \$143,000 | (\$1,051,835) | \$30,000 | \$35,000 | \$49,668 | \$1,150 | (\$793,017) |
| Future Unidentified Projects | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| To Capital Reserves | \$182,000 | \$1,101,835 | \$0 | \$0 | \$100,332 | \$398,850 | \$1,783,017 |
| Total Capital Projects | \$816,892 | \$2,273,065 | \$371,295 | \$91,678 | \$702,671 | \$880,493 | \$5,136,092 |
| Less: Outside Funding Sources | | | | | | | |
| Operating Reserve | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Reserve | 215,000 | 1,135,000 | 0 | 0 | 200,909 | 432,852 | 1,983,761 |
| Fixed Asset Replacement Fund | 276,892 | 1,088,065 | 341,295 | 56,678 | 351,762 | 47,640 | 2,162,331 |
| New SRF Loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Revenue Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Outside Funding Sources | \$491,892 | \$2,223,065 | \$341,295 | \$56,678 | \$552,671 | \$480,493 | \$4,146,092 |
| Rate Funded Capital (CRP) | \$325,000 | \$50,000 | \$30,000 | \$35,000 | \$150,000 | \$400,000 | \$1,290,000 |

Annual Sewer Capital Replacement Schedule (2018\$)



Squaw Valley PSD
 Fire Department Budget
 Capital Projects

| | |
|-----------|------|
| Inflation | 2.9% |
|-----------|------|

| Capital Projects | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | Total |
|---|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Capital Improvement Projects (CIP) | | | | | | | |
| Type 3 Engine | - | - | - | - | - | - | \$367,934 |
| Regional Training Facility | - | 50,000 | - | - | - | - | 50,000 |
| Total Capital Projects | - | 50,000 | - | - | - | - | \$417,934 |
| Capital Replacement Projects (CRP) | | | | | | | |
| Type 1 Engine 2WD | - | - | - | - | 280,286 | - | 280,286 |
| Type 3 (B-22) | - | - | - | - | - | 403,780 | 403,780 |
| Replace Command Vehicle | - | - | - | - | - | 83,098 | 83,098 |
| Water Tender | - | - | 264,710 | - | - | - | 264,710 |
| Turnout Gear Replacement | 14,550 | 14,987 | 15,869 | 16,329 | 16,803 | 17,290 | 95,827 |
| Hose Replacement | 4,500 | 3,000 | 3,177 | 3,269 | 3,363 | 3,461 | 20,770 |
| SCBAs | - | - | 7,412 | - | 168,172 | - | 175,584 |
| Appliance/Furniture Repl | 4,500 | - | - | - | - | - | 4,500 |
| Turnout Extractor | 10,667 | - | - | - | - | - | 10,667 |
| Honda Snowblower | - | - | - | 3,813 | - | - | 3,813 |
| Station Air Compressor | - | - | - | 4,358 | - | - | 4,358 |
| ALS Monitors | 64,019 | - | - | - | - | - | 64,019 |
| Turnout Racks | - | 8,500 | - | - | - | - | 8,500 |
| Class A Uniforms | - | 6,000 | - | - | - | - | 6,000 |
| AEDs | - | 7,000 | - | - | - | - | 7,000 |
| Breathing Apparatus Air Comp | - | - | - | 55,422 | - | - | 55,422 |
| Radios | 10,270 | - | - | - | - | - | 10,270 |
| R-21 Hurst Tools | - | - | - | 44,671 | - | - | 44,671 |
| Elevator Repair | 3,293 | - | - | - | - | - | 3,293 |
| Rescue Air Bbags and Struts | 12,000 | - | - | - | - | - | 12,000 |
| 305 Replace Phone System | 12,333 | - | - | - | - | - | 12,333 |
| 305 Locks | 6,667 | - | - | - | - | - | 6,667 |
| 305 LED Light Replacement | 3,333 | - | - | - | - | - | 3,333 |
| 305 Convault - Gas/Diesel Fuel Tank | 14,602 | - | - | - | - | - | 14,602 |
| 305 AC Slurry Seal/Pave Patch | - | 3,000 | - | 3,269 | - | 3,461 | \$9,730 |
| 305 Replace IT Hardware | - | 5,000 | - | - | - | 9,604 | \$14,604 |
| 305 Exterior Paint | - | 13,333 | - | - | - | - | \$13,333 |
| Laserfishe Document Management | - | 5,000 | - | - | - | - | \$5,000 |
| 1810 Replace Roof (Admin. Bldg.) | - | 18,750 | - | - | - | - | 18,750 |
| 1810 Replace Roof (Fire Station) | - | 18,750 | - | - | - | - | 18,750 |
| 1810 AC Slurry Seal/Pave Patch | 3,713 | - | - | - | - | - | 3,713 |
| Shared Facilities - 305 | - | - | - | - | 8,400 | 34,575 | 42,975 |
| Shared Facilities - 1810 | - | - | 5,956 | - | - | - | 5,956 |
| Total Capital Replcmnt. Projects | \$164,447 | \$103,320 | \$297,123 | \$131,131 | \$477,024 | \$555,269 | \$1,728,315 |
| To Fire FARF | \$0 | \$250,000 | \$250,000 | \$250,000 | \$200,000 | \$200,000 | \$1,150,000 |
| Future Unidentified Projects | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| To Capital Reserves | \$0 | \$14,550 | \$0 | \$0 | \$0 | \$0 | \$14,550 |
| Total Capital Projects | \$164,447 | \$417,870 | \$547,123 | \$381,131 | \$677,024 | \$755,269 | \$3,310,800 |
| Less: Outside Funding Sources | | | | | | | |
| Operating Reserve | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Reserve | 0 | 50,000 | 0 | 0 | 0 | 0 | 50,000 |
| Fixed Asset Replacement Fund | 164,447 | 117,870 | 297,123 | 131,131 | 477,024 | 555,269 | 1,742,865 |
| New SRF Loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Revenue Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Outside Funding Sources | \$164,447 | \$167,870 | \$297,123 | \$131,131 | \$477,024 | \$555,269 | \$1,792,865 |
| Contributions to Capital (CRP) | \$0 | \$250,000 | \$250,000 | \$250,000 | \$200,000 | \$200,000 | \$1,150,000 |

Annual Fire Capital Replacement Schedule (2018\$)

