



Budget

Fiscal Year 2026-2027



Olympic Valley Public Service District



Olympic Valley Public Service District **Budget Fiscal Year 2026-2027**



Adopted: June 2026



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



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Section I: Introduction and Overview

BUDGET OBJECTIVES

- Provide a 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.



MESSAGE FROM THE GENERAL MANAGER



Honorable Board of Directors and Community Members

On behalf of the Olympic Valley Public Service District (District), I am pleased to present the Fiscal Year (FY) 2026-27 Operating and Capital Budgets. In line with our strategic plan, This document serves as the District's financial plan for the coming year and reflects our commitment to operational excellence, fiscal responsibility, and efficient service delivery.

The District provides essential services—Fire Protection, Emergency Medical Services, Water, Sewer, and Garbage—that are vital to the community's health, safety, and well-being. The FY2026-27 Budget reaffirms our dedication to delivering these services reliably, sustainably, and cost-effectively.

Each year, we evaluate operational needs and long-term infrastructure goals to ensure resources are allocated strategically. This budget reflects that effort, aligning expenditures with community priorities and long-term planning objectives.

Key Issues and Challenges

In developing the FY 2026–27 Budget, the District carefully considered several principal issues that will shape operations in the coming year:

- **Economic Pressures:** Ongoing inflation and elevated costs for materials, labor, and services continue to impact both operating and capital budgets. While some stabilization has occurred, cost volatility remains a concern.
- **Regulatory and Policy Environment:** Evolving regulations, including short-term rental policies in Placer County and new water quality testing, continue to influence revenue structures, service demand, and community expectations.
- **Workforce and Housing Constraints:** The ongoing lack of affordable housing in the region continues to challenge the District's ability to recruit and retain qualified personnel, particularly in Fire and EMS.
- **Development and Growth Impacts:** Active and proposed development projects, including the expansion of the Village at Palisades Tahoe, require careful coordination to ensure infrastructure capacity and service levels are maintained.
- **Regional Service Delivery Considerations:** Ongoing discussions regarding potential consolidation or shared service models introduce both opportunities and uncertainties related to governance, cost efficiency, and service delivery.
- **Climate and Environmental Factors:** Increasing wildfire risk, drought conditions, and changing weather patterns necessitate continued investment in fuels management, water system reliability, and environmental resilience.

Actions and Strategic Responses

To address these challenges, the District is pursuing several key actions in FY 2026–27:

- **Maintaining Core Service Levels and Staffing:** The budget prioritizes maintaining current staffing levels and service reliability across all departments, recognizing the importance of workforce stability.

- **Advancing Policy and Governance Improvements:** Continued efforts will be made to enhance and modernize the District’s policies, improving transparency, consistency, and organizational effectiveness.
- **Coordinating with Development Activity:** The District will actively engage with developers to ensure that infrastructure improvements, cost recovery, and service impacts are appropriately addressed.
- **Evaluating Consolidation Opportunities:** The District will continue to participate in and evaluate consolidation studies and discussions to determine potential benefits, risks, and long-term implications for the community.
- **Securing and Utilizing External Funding:** The District will pursue and implement grant-funded programs, particularly in fuels management, to reduce financial burdens on ratepayers while enhancing community safety.
- **Investing in Infrastructure Resilience:** Capital improvements will focus on system reliability, regulatory compliance, and long-term sustainability.

Budget Priorities and Changes from the Prior Year

The FY 2026–27 Budget includes several changes related to service levels, revenues, and fees:

- **Service Levels:** Core service levels are maintained across all departments. The District plans to be fully staffed across all departments.
- **Fees and Charges:** Water, Sewer, and Garbage rates will increase in accordance with previously approved Proposition 218 processes, ensuring cost recovery and financial sustainability.
- **Property Tax and Assessed Valuation Growth:** Continued growth in assessed valuation is expected to result in increased property tax revenues, supporting ongoing operations and capital needs, primarily for the Fire Department.
- **Grant Funding:** The District anticipates additional external funding, particularly for fuels reduction and wildfire resilience, allowing for program implementation in line with the Community Wildfire Protection Plan.
- **Consolidation Considerations:** While no immediate changes to service delivery have been implemented, ongoing consolidation discussions may influence future service models, cost structures, and governance.

Budget-in-Brief

The FY 2026–27 Budget includes the following highlights

- **Rate Revenue:** Rate revenue for Water, Sewer, and Garbage is budgeted at \$5,001,000, this is an increase of 5% from the prior year.
- **Property Tax Revenue:** Property tax revenue is budgeted at \$5,432,000. This is an increase of 3.14% from the previous year. Ninety-one (91%) of this revenue will be used to fund the Fire Department.
- **Operating Costs:** Operating costs for the Utility Department are budgeted at \$4,363,000. This is an increase of 4% from prior year spending. Operating costs for the Fire Department are budgeted at \$5,184,000. This is a 3% increase from the previous year.

- **Capital Investment:** Continued investment in capital infrastructure focuses on system reliability, regulatory compliance, and long-term asset sustainability, particularly in water, sewer, and fire facilities and equipment. The total capital budget for FY2026-27 is \$3,585,000. Major projects for the year include an HVAC replacement, Sewer line rehabilitation, a new front loader, repaving facility parking lots, ALS monitors, and the PlumpJack well.
- **Grant-Funded Programs:** The District is currently managing approximately \$1,500,000 in open grants, primarily for fuels management and stream gaging. The District will continue to pursue grant funding, particularly in environmental resilience.

Conclusion

The final adopted FY 2026–27 Budget incorporates adjustments made during the budget review process, including refinements to revenue projections, adjustments to capital project timing and funding, minor operating expenditures, and updating grant programs. The final budget reflects a balanced and forward-looking approach to financial planning. It addresses current operational realities while positioning the District to adapt to evolving economic conditions, regulatory requirements, and community needs. Through prudent fiscal management, strategic investment, and continued collaboration, the District remains committed to providing high-quality, reliable services to the community.

RESOLUTION 2026-14
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
ADOPTING DISTRICT BUDGET FOR FISCAL YEAR 2026-2027

WHEREAS, Staff have prepared and submitted to the Board of Directors a proposed Budget for Fiscal Year 2026-2027; and

WHEREAS, the Fiscal Year 2026-2027 Budget establishes the District's financial plan for the fiscal year beginning July 1, 2026, and ending June 30, 2027, and provides appropriations necessary for the operation, maintenance, and capital improvement needs of the District; and

WHEREAS, the Board of Directors has reviewed and considered the proposed Budget, including anticipated revenues, operating expenditures, capital expenditures, reserve funding, and other financial requirements of the District's Water, Sewer, Garbage, Fire, and General Fund activities; and

WHEREAS, the District's Capital Improvement Plan (CIP) has been reviewed concurrently with the Fiscal Year 2026-27 Budget in accordance with District policy, and capital expenditures identified for the Fiscal Year 2026-2027 are included within the proposed Budget for Board consideration; and

WHEREAS, the Fiscal Year 2026-2027 Budget includes a planned transfer of \$315,000 to the District's Fire Department Capital Reserve for future capital replacement and infrastructure investment, and the Board desires to formally commit such funds in accordance with the District's Fund Balance Policy and GASB Statement No. 54; and

WHEREAS, the Board of Directors finds that adoption of the Fiscal Year 2026-2027 Budget is necessary for the efficient management and operation of District services and facilities.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Olympic Valley Public Service District as follows:

1. The Fiscal Year 2026-2027 Budget, attached hereto and incorporated herein by reference, is hereby adopted and approved.
2. All expenditures identified for Fiscal Year 2026-2027 within the adopted Budget and Capital Improvement Plan are hereby appropriated and authorized for expenditure in accordance with District policies.
3. Pursuant to the District's Fund Balance Policy and GASB Statement No. 54, the Board hereby commits \$315,000 of fund balance for future capital replacement and infrastructure investment. This commitment may only be modified or rescinded by subsequent action of The Board of Directors
4. The Chief Financial Officer is authorized to transfer funds, as necessary, between District funds and reserve accounts in accordance with District policy and approved budgetary appropriations to provide funding for authorized capital projects and operational expenditures.
5. Any budget amendment requiring an increase in total appropriations shall be presented to the Board of Directors for approval.

PASSED AND ADOPTED this 30th day of June 2026 at a regular meeting of the Board of Directors duly called and held by the following roll call vote:

AYES: Director Cox, Hover-Smoot, Koffler, Toub

NOES: None

ABSENT: Director Hudson

ABSTAIN: None

APPROVED:

APPROVED:


Dale Cox, Board President

ATTEST:


Jessica Asher, Board Secretary

Board of Directors



Dale Cox
President



Bill Hudson
Vice President



Katy Hover-Smoot
Director



Richard Koffler
Director



Joshua Toub
Director

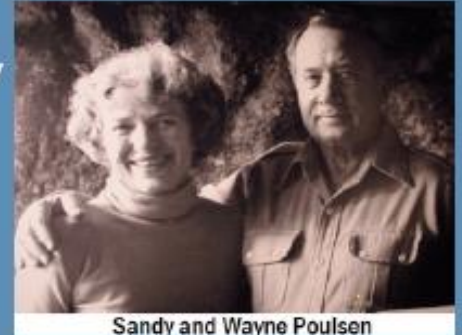


History: Decades of Dedication



The 1960 Winter Olympics, hosted in what was then Squaw Valley, placed the region on the global map and laid the groundwork for future community development. To support the Games, the State of California constructed the original wells and pipelines in the valley, many of which remain in use today.

In 1964, inspired by the area's growing significance, Wayne and Sandy Poulsen founded the Squaw Valley County Water District (now Olympic Valley Public Service District). The first Board meeting was held at the Poulsen residence. By the end of the decade, the District had expanded operations, acquired local water companies, and established regular governance practices. Notably, the District's phone number, 583-4692, has remained the same since 1967.



Sandy and Wayne Poulsen



During the 1970s, regional collaboration took shape. The District joined the "Five District Committee," paving the way for the creation of the Tahoe-Truckee Sanitation Agency and a major environmental infrastructure project to protect Lake Tahoe's watershed.

In 1985, the District assumed control of fire services from Placer County. By 1988, it had a permanent home at 1810 Olympic Valley Road.

The 1990s were marked by modernization. The District introduced strategic planning, scientific assessments of the water supply, and conservation-based rate structures. Despite challenges such as droughts, floods, and new local developments, the District maintained stability. In 1998, it was renamed the Squaw Valley Public Service District.

The 2000s saw the construction of the District's current facility at 305 Olympic Valley Road, completed in 2005. Fire services were enhanced to include paramedic-level staffing by 2006.



During the 2010s, the District earned regional recognition for excellence across all departments, reinforcing its reputation for top-tier service and planning.

In October 2020, the District Board approved changing the name to the Olympic Valley Public Service District. The Board acknowledged that the historical use and origins of the term "Squaw" are deeply offensive, particularly to Native American women.



ORGANIZATION CHART

BOARD OF DIRECTORS

Charley Miller
General Manager



Danielle Mueller
Finance &
Administration
Manager



Jessica Asher
Program Manager &
Board Secretary



Dave Hunt
District Engineer



Nic Massetani
Operations
Superintendent



Brad Chisholm
Fire Chief

See OVFD Shift
Schedule for full Fire
Department Org Chart



Jessica Grunst
Account Clerk II &
HR specialist



Nicole Whiteman
Office Supervisor



Ashley Massey
Program Analyst I



Alexa Herring
Assistant Engineer



John Tuscher
Ops Specialist III



Jason McGathey
Ops Specialist I



Ben Procida
Ops Specialist I



Miguel Ramirez
Ops Specialist I



Christian Hamil
Ops Specialist
Trainee



OLYMPIC VALLEY FIRE DEPARTMENT

SHIFT SCHEDULE



BRAD CHISHOLM
Fire Chief



A-SHIFT



CHRIS DE DEO
Captain



KURT GOODING
Engineer / Paramedic



JOHN ROGERS
Firefighter / Paramedic



RYAN SCOTT
Firefighter / Paramedic

B-SHIFT



HANS WALDE
Captain / Paramedic



SCOTT HALTERMAN
Engineer / Paramedic



LEROY VALADEZ
Firefighter / Paramedic



KYLE COLMAR
Firefighter / Paramedic

C-SHIFT



JOSH RYTTER
Captain / Paramedic



JEFF GEIGLE
Engineer / Paramedic



TRAVIS SMITH
Firefighter / Paramedic



KEITH ERICKSON
Firefighter / Paramedic

DEPARTMENTS

Utility Operations

Water

The Water Operations Crew ensures safe drinking water delivery by managing groundwater wells, pipelines, system pressure, and water quality testing in compliance with SWRCB and EPA standards. Treatment includes pH balancing and annual chlorination to control bacterial growth. Staff also handle utility locates and inspect new service connections to ensure compliance with District and backflow standards. Services are provided 24/7, 365 days a year.

Objectives:

- Ensure year-round availability of safe drinking water.
- Maintain 100% compliance with water quality regulations.
- Respond promptly to all locate requests.
- Support system expansion while preserving pressure and quality.

Wastewater Collection

The same crew manages the sewer collection system that feeds into a regional treatment facility. Staff clean 50% of the system annually—achieving full coverage every two years—using high-pressure jetting and manhole inspections. They verify watertight new connections and respond to all utility locate requests. Services are delivered 24/7, 365 days a year.

Objectives:

- Prevent overflows through regular cleaning and inspections.
- Clean 50% of the sewer system annually.
- Safeguard assets through accurate locates and documentation.

Field Support & Grounds Maintenance

Crews maintain utility access year-round through snow removal and emergency preparedness. They respond to system failures and natural disasters, and perform inspections, repairs, HVAC upkeep, and custodial duties at District facilities.

Objectives:

- Ensure readiness for emergencies with up-to-date response plans.
- Keep facilities safe, functional, and compliant with Cal/OSHA.

Garbage Collection

The District provides garbage collection through a contract with Tahoe Truckee Sierra Disposal Company (TTSD). Services include residential curbside pickup of municipal solid waste. Commercial properties and condominiums typically contract directly with TTSD.

Performance Measures:

- 2026-Delivered 103.75 MG of water and collected 85.81 MG of wastewater with no water quality violations or sanitary sewer overflows.
- 2026-Replaced 147 water meters and completed full implementation of cellular meter technology, supporting 9.9% water loss and improved leak detection.
- 2027-Implement Syncta backflow management software to improve tracking, test report processing, customer notifications, and annual compliance monitoring for the District's 576 backflow prevention devices.

Engineering Department

The Engineering Department provides technical leadership and oversight for the planning, design, and maintenance of the District's infrastructure. Operating in a complex mountain environment, the department delivers capital improvement projects that ensure reliable utility services and environmental stewardship. Staff also support day-to-day operations and maintain systems critical to water resources, GIS, asset management, and long-range planning.

Core responsibilities include implementing the Capital Improvement Plan, plan review and permitting, construction management, regulatory compliance, and providing technical and administrative support for internal and external projects.

Key objectives include:

Capital Improvement Planning & Project Delivery

- Deliver infrastructure projects that enhance performance and support growth
- Ensure quality and compliance through active oversight and inspection
- Align capital investments with District priorities and community needs

Strategic, Water Resource & Facilities Planning

- Maintain up-to-date strategic and water resource plans, anticipating future needs
- Support efficient land use through forecasting and facility planning
- Advance sustainability and resiliency through integrated planning

Asset Management & GIS

- Extend infrastructure life through proactive asset management
- Maintain accurate GIS mapping to aid operations, planning, and response
- Use data to prioritize investments and reduce long-term costs

Technical & Regulatory Support

- Enforce District codes through timely plan review and permitting
- Promote compliance and risk reduction through early coordination
- Provide technical expertise for troubleshooting and planning

Performance Measures:

- 2025 - Completed the OVPD/Mutual Water Co. Emergency Intertie Project with the help of a \$404,000 grant from Placer County Water Agency Financial Assistance Program
- 2025 – Completed the Sewer Collection System 20-Year Capital Improvement Plan (CIP)
- 2025 - Secured \$208,420 from the Department of Water Resources for a water stream gage project along Washeshu Creek
- 2025 and 2026 - replaced nearly 800 residential and commercial water meters with E-Series meters and long-term evolution transponders.
- 2026 – Currently preparing the Water System and Resource Master Plan, which will include a long-term integrated water resource plan and a 20-year CIP.
- 2026 and onward - Construction of the Sewer Rehabilitation Project, as identified in the CIP.
- 2026 and 2027 - Currently constructing the Boiler and Controls System Replacement Project at our Fire Station & Administration Center
- 2026 and 2027 - Completed an update to our Maximum Water Supply analysis and currently working on the Capacity and Reliability Study Update

Administration

The Administration Department is the central hub of operations and governance for the District. It supports the delivery of essential public services by managing the district's financial, human, and operational resources. This department ensures regulatory compliance, facilitates communication between departments and the public, and provides oversight to align services with community needs and goals. The Department is made up of a dedicated six-member team, responsible for managing the day-to-day administrative, financial, and core functions of the District.

Key objectives include:

Governance and Policy Support

- Coordinate with the General Manager and Board of Directors to implement policies, prepare agendas, and maintain official records.

Financial Management

- Oversee budgeting, accounting, payroll, and financial reporting to ensure transparency and fiscal responsibility.

Human Resources

- Manage recruitment, employee benefits, training, and compliance with labor laws and district personnel policies.

Interdepartmental Coordination

- Facilitate communication and collaboration across water, sewer, garbage, and fire service departments.

Customer Service and Public Communication

- Serve as the point of contact for residents, respond to inquiries, manage public records requests, and ensure clear, timely communication with the community.

Regulatory Compliance

- Ensure adherence to local, state, and federal regulations, including public sector requirements like the Brown Act, environmental laws, and safety mandates.

Strategic Planning and Reporting

- Develop and monitor long-term goals, prepare annual reports, and support performance evaluation across all service areas.

Performance Measures:

- The District has received the Special District Leadership Foundation (SDLF) District of Distinction accreditation and Certificate of Transparency for its sound fiscal management policies and practices in District Operations and recognition of its outstanding efforts to promote transparency and good governance.
- Annually, the District produces a focused, balanced 5-year budget, aligned with our Strategic Plan, and reviews its 100-year capital improvement plan. Budgeting and long-term financial planning contribute to the stability of the organization for generations to come.
- In 2025, the Department entered into 40 new contracts, responded timely to 11 public records requests, administered 50 building remodel permits, and updated customer accounts on 120 properties that changed ownership.
- 2025 – Adopted 5-year strategic plan, replacing the outdated plan from 2012. The new Plan identifies the District's priorities, focuses on resources, and charts a clear path forward.

Fire Department

The Fire Department serves Olympic Valley and a nine-mile stretch of the Truckee River corridor. As an all-risk, ALS non-transport agency, the Department responds to approximately 650 calls for service annually from a single station. The primary funding source is property taxes, based on provisions established under California Proposition 13.

The mission of the Olympic Valley Fire Department is to protect and enhance the safety and well-being of our community.

Operations

- **Organizational Structure:** Under the direction of the General Manager, the Fire Chief oversees all departmental functions. Line personnel work a 48/96-hour schedule over three shifts with a Fire Captain, Fire Engineer, and two Firefighters/Paramedics.
- **Standards Compliance:** Adhere to applicable codes and laws, with the goal of meeting NFPA standards.
- **ISO Rating:** Maintain an ISO Class 2/2Y rating, first awarded in 2015.
- **Projects:** Shifts manage EMS, community education, inventory, communications, equipment testing, fleet management, fire prevention, training, and IT projects.
- **Fire Prevention:** Conduct plan reviews, inspections, defensible space assessments, and update codes and ordinances.
- **Stakeholder Engagement:** Collaborate with partner agencies and organizations to support effective response and community outreach.

Administration

- Ensure proper planning for response readiness, exceptional service, and personnel support.
- Collaborate on labor relations, strategic planning, community outreach, apparatus and equipment procurement, facilities maintenance, and general direction.
- Implement and maintain the Olympic Valley Community Wildfire Protection Plan (CWPP).
- A four-year MOU governs line personnel through June 30, 2028.
- A Municipal Services Review is underway to evaluate the potential benefits of regional fire agency reorganization.

Goals and Objectives

- Maintain the Mission, Vision, and Core Values of the department.
- Foster a work environment that attracts, retains, and promotes exceptional personnel.
- Prepare for industry and regional changes, identifying opportunities for improvement.
- Maintain collaborative relationships with the community, stakeholders, and District staff.

Performance Measures:

- In 2025, OVFD responded to 568 emergency calls. Of these, 311 (54%) were EMS-related.
- 2025 – inspected 100% of all residential and commercial properties for defensible space.
- 2025 and onward – Managing approximately \$1.5M in grants towards fuels management.
- 2026 - EMS Division met Continuous Quality Improvement (CQI) as well as industry standards, mandates and best practices.
- 2026 and 2027 – Continue fiscal analysis and level of service reports to determine the feasibility of annexing with the North Tahoe Fire Protection District.

Staffing

Overall, the District's staffing needs remain fairly stable over time due to the consistent nature of the services provided. There are no new positions proposed in the coming year.

Full-Time Staffing Equivalent

	FY2025 Actual	FY2026 Actual	FY2027 Budget
<u>Administration</u>			
General Manager	1	1	1
Finance & Administration Manager	1	1	1
Account Clerk II/ Human Resource Specialist	1	1	1
Office Supervisor	1	1	1
Program Manager/ Board Secretary	1	1	1
Program Analyst I	<u>1</u>	<u>1</u>	<u>1</u>
<u>Subtotal</u>	6	6	6
<u>Engineering</u>			
District Engineer	1	1	1
Assistant Engineer	<u>1</u>	<u>1</u>	<u>1</u>
<u>Subtotal</u>	2	2	2
<u>Utility Operations</u>			
Operations Superintendent	1	1	1
Operations Specialist III	1	1	1
Operations Specialist II	1	1	1
Operations Specialist I	3	2	3
Operations Specialist / Trainee	<u>0</u>	<u>1</u>	<u>0</u>
<u>Subtotal</u>	6	6	6
<u>Fire</u>			
Fire Chief	1	1	1
Captain	3	3	3
Engineer	3	3	3
Firefighter	6	6	6
Part-time Fire Prevention Officer	<u>0</u>	<u>.5</u>	<u>0</u>
<u>Subtotal</u>	13	13.5	13
<u>Total</u>	27	27.5	27

STRATEGIC PLAN

This Strategic Plan is a roadmap for the Olympic Valley Public Service District’s future—grounded in our values, shaped by our customers and our community. The plan sets an important direction for the District to establish our mission, vision, and core values.

Strategic Plan Process:

The Plan was created through a collaborative process involving input from District staff, the Board of Directors, and community input. The Plan captures where we’ve been and where we’re headed. The Plan identifies our priorities, focuses our resources, and charts a clear path forward to ensure OVPSD continues to deliver exceptional services while preparing for the challenges and opportunities ahead.

Over the course of the process, two Board workshops created space for thoughtful discussion, priority setting, and consensus building. Board members and staff participated in individual interviews to share perspectives, surface challenges, and explore opportunities. The District also researched similar organizations to identify best practices and innovative ideas that could be adapted to Olympic Valley’s unique context.

In August 2025, the Board adopted the District’s 2025–2030 Strategic Plan, establishing five Strategic Focus Areas. These focus areas, along with their associated goals and priority actions, provide the framework for guiding District operations, capital planning, and long-term decision-making.

An annual review of the plan will be presented to the Board to show goals accomplished throughout the year and what actions lie ahead. At the end of a 5-year cycle, the process will start again. The entire plan can be found on our website at <https://ovpsd.org>.

Core Values

- O** **OWNERSHIP**
Demonstrate accountability and responsibility.
- V** **VISION**
Foster a culture of progression and innovation.
- P** **PARTNERSHIP**
Promote team unity and collaboration with the community.
- S** **STEWARDSHIP**
Ensure our actions protect and improve the Valley’s natural resources.
- D** **DEPENDABILITY**
Deliver reliable services with trust, transparency and professionalism.

VISION

To deliver trusted public services with a commitment to our Valley’s future.

MISSION

Provide high-quality, fiscally responsible, public services that protect our community while preserving the natural resources that define Olympic Valley.

Focus Areas:

Service: Maintain excellent core services: water, sewer, fire, EMS and garbage.

Goals		Priority Actions	
1	Prioritize core services in budgeting and staff resources.	- Maintain a high level of service for all core services: water, sewer, fire, EMS, and solid waste. - Evaluate and prioritize Capital and O&M projects.	- Create and maintain a staffing plan that aligns with service demands and succession planning. - Develop a service-level budget model that clearly identifies funding for essential services.
2	Maintain and invest in infrastructure, facilities, and equipment to align with future growth, environmental resilience, and meet regulatory requirements.	- Meet all Federal, State, and Local regulatory compliance requirements - Maintain and execute Capital Improvement Program. - Invest in forward-looking planning studies (e.g. Water MP, Sewer MP, CWPP). - Monitor and reduce sewer infiltration and inflow (I&I).	- Enhance the Work Order system and integrate VUEWorks and GIS to support comprehensive asset management, maintenance planning, and capital forecasting. - Develop a Facilities Plan for District Property. - Identify facility and organizational needs for a Utilities Corporation Yard and Fire Department Training Facility.
3	Expand community outreach, public education, and regional partnerships.	- Build awareness of District services and initiatives. - Enhance transparency and trust through proactive public communication.	- Improve PIO communications and outreach. - Participate in Community events (Earth Day, Pancake Breakfast, etc.).

Proactive Planning: Proactively plan for the future.

Goals		Priority Actions	
1	Develop and maintain a strategic plan to define priorities for the District.	Identify and prioritize key operational, financial, and infrastructure goals.	Align the plan with long-range financial forecasts and capital planning.
2	Prepare for emergencies and address climate resilience.	- Continue to evaluate opportunities for an emergency or redundant water supply source, including regional partnerships, or interties. - Address climate resilience and adaptation in District operations.	- Maintain Placer County Hazard Mitigation Plan. - Participate in regional OES efforts. - Develop and maintain Emergency SOP's.
3	Build district capacity to meet the needs of future development.	- Engage Olympic Valley developments to advocate for community, environment, and water quality benefits balancing development and the Valleys resources. - Ensure adequate space, facilities, and staff to support future development, while maintaining levels of service.	- Ensure long-term reliable water supply. - Integrate growth planning into long-term financial forecasting.
4	Consider options for expanding services.	- Explore the acquisition of Olympic Valley Mutual Water System. - Explore the acquisition of Tahoe Forest Tract water system.	Consider providing parks and recreation services (Parcel tax, OV Park, MOU with neighbors who provide rec services etc.).
5	Participate in planning efforts related to regional reorganization to advocate for efficient delivery of services.	Evaluate potential regional fire service reorganization and fire service funding model while maintaining the current level of service.	Participate in regional incorporation efforts.

Stewardship: Practice and advocate for environmental and community stewardship.

Goals		Priority Actions	
1	Implement sustainable water management to protect the aquifer.	- Maintain a healthy aquifer and manage groundwater sustainability by leading the Olympic Valley Groundwater Management Plan (OVGMP). - Execute a formal Water Management Action Plan (WMAP) to guide sustainable use and protection efforts. - Improve water leak detection through advanced metering technology and online notifications. - Effectively communicate water conservation strategies and goals to residents to support behavioral change and reduce demand.	- Balance future development with the long-term availability of a sustainable water supply. - Study the interaction between surface water and groundwater to better understand recharge dynamics and long-term aquifer health. - Identify measures to protect the aquifer from contamination, including coordination with land use agencies and source control strategies.
2	Grow investment in wildfire prevention and resiliency.	- Continue to implement current 2022 CWPP and update/revise as necessary. - Maintain Green Waste Programs. Engage on regional wildfire protection efforts. - Maintain District facilities to promote wildfire resilience through defensible space compliance.	- Monitor for regional grant collaboration. - Pursue funding for individual home/property resiliency including home hardening, zone 0 and expensive vegetation removal. - Adopt District ordinances where necessary to address local factors.
3	Advocate for community needs.	- Continue partnerships — Firewise, SVBA, POAs, commercial entities. - Stay active in Placer County Park planning efforts.	

Organization: Sustain and strengthen District expertise and culture

Goals		Priority Actions	
1	Invest in staff professional development, retention and culture.	- Support a strong, collaborative management team to lead day-to-day operations and foster organizational alignment. - Maintain and empower the internal Culture Team to champion employee engagement, communication, and a positive work environment. - Develop and implement a District-wide training plan that promotes ongoing professional development for all staff. - Explore staff retention strategies focused on competitive compensation, meaningful benefits, and policies that support work-life balance.	- Invest in culture-building activities and initiatives that foster a positive, inclusive, and values-driven workplace. - Continuously improve the performance evaluation process to strengthen accountability, recognition, and growth, while ensuring alignment with the District's core values. - Support effective labor relations through active participation in the MOU process and ongoing collaboration with employee unions. - Develop and maintain a long-term succession plan for both staff and the Board to ensure continuity of leadership and institutional knowledge.
2	Maintain high standards of public agency governance.	- Maintain high standards of public agency governance including achieving District of Distinction and Certificate of Transparency, GFOA awards. - Develop a board recruitment, development, and retention plan. - Ensure policies and procedures are compliant with local, state and federal requirements and consider best practices (i.e. update PP&PM).	- Support community efforts to maintain insurance coverage or reduce costs. - Recognize department service priorities and provide support to meet other roles and responsibilities (i.e. training, EMS, prevention, public outreach). - Ensure and provide for Continuous Quality Improvement (CQI) across all departments.
3	Improve use of technology across all departments.	- Improve Records Retention Systems / Move to paperless filing system. - Increase in-house knowledge of IT systems / Ensure reliability and security of the District's IT systems.	- Implement a Human Resources employee portal to streamline access to benefits, policies, forms, and internal communications. - Evaluate and implement enterprise software solutions to improve efficiency, data integration, and cross-departmental coordination.

Finance: Manage finances effectively and responsibly

Goals		Priority Actions	
1	Maintain excellence in financial management and reporting.	- Ensure adequate funding for capital, infrastructure, and operations and growth needs through responsible rate management. - Continue prudent investment of District funds and conduct an annual review of financial policies. - Monitor unfunded accrued liabilities (UAL) and other long-term obligations to maintain fiscal sustainability. - Align the annual budget with strategic plan and ensure transparency in support of our mission. - Annually approve the operating and capital budget, conduct an independent audit, and adopt salary schedules.	- Annually adjust water, sewer and garbage rates. - Review and adjust fire and life safety cost schedule. - Submit and adjust fire development impact fees and related reports, set salaries and wages etc. - Explore transitioning to a biannual or quarterly water billing cycle to improve cash flow and customer communication. - Maintain and update Standard Operating Procedures (SOPs) to support consistent and efficient financial practices. - Create a clear, accessible financial summary for the public and Board, posted on the District website.
2	Explore alternative financing and assess financial implications for future initiatives.	- Actively pursue grant opportunities that support District priorities. - Leverage public-private partnerships and cost share arrangements to strengthen grant applications. - Incorporate financial analysis into the planning of new initiatives and acquisitions to assess long-term costs and risks.	- Explore options to ensure necessary funding without unduly burdening the local community. - Invest in "green energy" and identify means to reduce carbon footprint.
3	Maintain high standards in transparency, reporting accuracy, and operational efficiency.	- Maintain the Special District Leadership Foundations Certificate of Transparency and District of Distinction. - Publicize clean audits in the District newsletter and website.	- Apply for GFOA Certificate of Achievement for Excellence in Financial Reporting for FY2025. - Apply for GFOA Distinguished Budget Presentation Awards Program by FY2027.



OVPSD Fire and Operations Department

PRIORITIES AND ISSUES

Mutual Consolidation Efforts

A key priority for the upcoming year is the renewed effort to consolidate water service between the District and the Olympic Valley Mutual Water Company (OVMWC). Although similar discussions have occurred over the past 40 years without success, rising operational costs for OVMWC and new District management have prompted both parties to formally re-engage. This reflects a broader priority on regional collaboration and long-term service sustainability.

Consolidation offers clear benefits: economies of scale in operations, reduced administrative duplication, and enhanced service levels for all customers, particularly for OVMWC members, who would gain access to improved system support and professionalized management.

The District has initiated formal negotiations to evaluate technical, financial, and operational considerations. These discussions will include:

- Analyzing the financial and operational impacts on both entities;
- Outlining a framework for integrating infrastructure, management, and customer service functions; and
- Identifying regulatory requirements and obtaining necessary approvals.

This effort represents a significant change from previous years and may result in long-term cost efficiencies and service enhancements, though transitional planning and due diligence are still underway. Final decisions will be brought to the governing boards for review as negotiations progress.

North Tahoe Fire Protection District Consolidation Efforts

A key issue the District will be exploring during the upcoming fiscal year budget process is the potential annexation of Olympic Valley by the North Tahoe Fire Protection District and the related divestiture of emergency service powers by the Olympic Valley Public Service District. The Board recently directed staff to continue evaluating this reorganization effort and to prepare the necessary application materials for consideration by Placer Local Agency Formation Commission (LAFCO). As part of this process, the District will be developing a comprehensive fiscal analysis and Plan for Service to evaluate operational efficiencies, financial impacts, governance considerations, and long-term service delivery outcomes associated with annexation. The FY2027 budget has set aside \$30,000 to complete these studies.

The fiscal analysis and Plan for Service will play a critical role in determining the feasibility and potential benefits of the proposed reorganization. These efforts will assess future revenue and expenditure impacts, staffing and operational considerations, service levels, and potential cost-sharing arrangements. The work completed during the fiscal year will help inform both Board decision-making and the formal LAFCO review process, while ensuring the District continues to proactively plan for the efficient and sustainable delivery of emergency services within the region.

Fuels Management Program

The District's Fuels Management Program works to reduce the risk of catastrophic wildfire in Olympic Valley. Aligned with the District's 2025 Strategic Plan under the "Stewardship" focus area, the program directly supports the strategic goal to "Grow investment in Wildfire Resiliency."

Program Priorities:

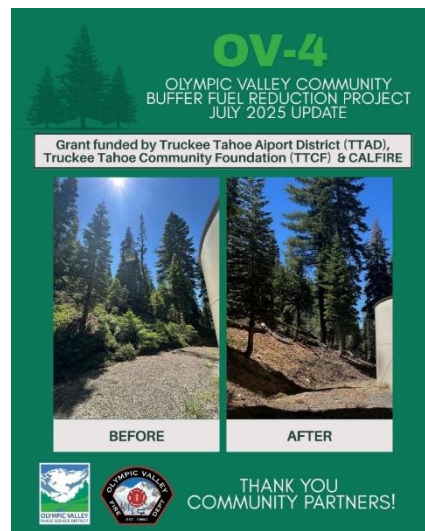
This program aligns with the District's broader emergency preparedness and stewardship goals, emphasizing prevention, education, regulatory compliance, and regional collaboration. Key priorities include planning and executing forest fuel reduction projects; securing and managing external funding; enforcing defensible space compliance under PRC 4291; supporting residential homeowners with green waste disposal programs; collaborating with regional partners; and educating the public on wildfire risk and preparedness.

Program Goals and Objectives:

Program Goal: Enhance community wildfire resilience through risk reduction and preparedness.

Objectives:

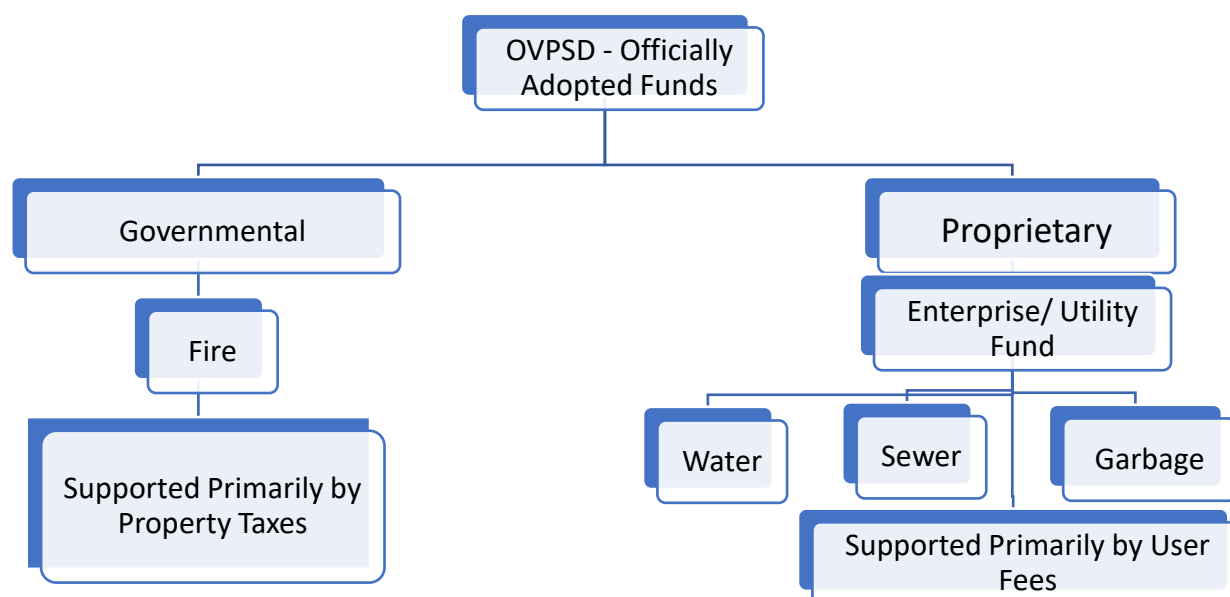
- Produce a Community Wildfire Protection Plan (CWPP) (Board approved in 2022) and update the plan at least every five years.
- Secure and manage at least one active wildfire mitigation grant per year.
- Plan, permit, and implement the five forest fuels reduction projects outlined in the 2022 CWPP within five years.
- Inspect 50% of residential and commercial structures for compliance with PRC 4291 each fire season.
- Host green waste disposal programs annually, May-October.
- Assist the Olympic Valley Firewise Community in maintaining annual certification.
- Deliver a public education event yearly focused on wildfire awareness, evacuation planning, and defensible space.
- Attend regional coordination meetings on forest health projects, stakeholder involvement, and public messaging



Before & After Fuels Management Project

Section II: Financial Structure, Policy, and Process

FUND DESCRIPTIONS AND STRUCTURE



Proprietary (Utility Fund - Appropriated)

The Utility Fund is the District's Enterprise fund that accounts for the provision of water, sewer, and solid waste services. The funds operate similarly to private-sector accounting, in which the District equitably charges rates for water and sewer based on customer classes and their use of each system. Pursuant to California Government Code, public agencies must demonstrate a nexus between the cost of providing services and the benefits received. Rates must reflect the costs of providing services. Revenues in excess of operating expenses are allocated to designated reserve funds for capital expenditures, operating reserves, and rate stabilization.

The Utility Fund is appropriated annually, with the Board of Directors establishing the legal level of budgetary control. Appropriations represent the authorized spending limit for the fiscal year, and expenditures may not exceed certain levels without Board approval.

Governmental Fund (Fire Fund - Appropriated)

The Fire Fund is a major governmental fund that accounts for the financial operations of the District's fire protection, emergency medical response, and wildfire mitigation services. The fund is primarily supported by property tax revenues and is structured to ensure that essential public safety services are sustainably funded and aligned with community needs. Revenues in excess of operating expenses are allocated to designated reserve funds for capital expenditures and operating reserves.

The Fire Fund is appropriated annually, with the Board of Directors establishing the legal level of budgetary control. Appropriations represent the authorized spending limit for the fiscal year, and expenditures may not exceed certain levels without Board approval.

Department/Fund Relationship

The District's organizational structure is aligned with its fund structure to ensure that financial resources are appropriately matched to service delivery responsibilities. Departments are responsible for delivering services, while funds are used to account for the financial activity associated with those services.

The District operates primarily through two major funds: the Utility Fund and the Fire Fund. Each fund supports specific departments; however, certain functional units—such as Administration—provide services across all funds. This structure allows the District to maintain operational efficiency while ensuring accurate cost allocation and financial transparency. Shared costs are allocated across funds based on reasonable and consistent cost allocation methodologies. This ensures that each fund bears its proportionate share of indirect costs while maintaining compliance with cost-of-service principles.

Department/Function	Utility Fund	Fire Fund	Description
Water	✓		Oversees water treatment, distribution, maintenance, and compliance
Sewer	✓		Manages wastewater collection, treatment, and system maintenance
Garbage	✓		Coordinates solid waste services, contracts, and green waste programs
Fire		✓	Provides fire suppression, emergency medical response, and rescue services
Administration	✓	✓	Provides executive leadership, finance, HR, and administrative support across all District operations

Basis of Accounting

The basis of accounting refers to the timing of revenue and expenditure recognition for financial reporting. In preparing the budget the same methodology is applied. All District funds are subject to appropriation. In other words, the District officially adopts a budget for all funds.

The budgets of governmental funds (Fire) are prepared on a modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Accrued revenues include mostly property taxes, received within forty-five days after the fiscal year ends, and earnings on investments. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Expenditures are recorded when the related liability is incurred, except for principal and interest payments on general long-term debt that are recognized when due.

Budgets for proprietary funds (Enterprise Funds) are prepared on a full accrual basis where revenues are recognized when earned, and expenses are recognized when they are incurred, regardless of when the related cash flows take place.

Budget Process

Pursuant to financial policy, a budget must be reviewed, approved, and adopted via resolution by June 30 of each year for the subsequent fiscal year beginning July 1. Development of the budget is influenced by the strategic plan, organizational goals and objectives, and external factors such as economic conditions. The Board, General Manager, Staff, and the public participate in the development of the budget. Two public meetings are held to review the draft budget and to get public input prior to the public hearing to adopt the budget.

The District's annual budget provides a clear picture of expectations for the next 12 months, serves as an accountability tool for management, and reflects the District's commitment to performance. Overall, the District's operations are stable, and the goal is to be within 5% of the original budget in any given year, unless unexpected events occur.

After the annual budget has been adopted by the Board, a monthly report is created for comparison with actual performance. This is reviewed by the Finance Committee to assess operating performance and budget variances. This aids in understanding the District's operating and financial performance, changing patterns of performance, trends in costs, and general economic data. Variances from the budget may require a budget amendment and/or newly appropriated funds by the Board.

DATE	WHO?	WHAT?	BOARD ACTION?
February 24, 2026	Board	Review Proposed Budget Schedule	Review/Recommendations – No Action
February 27, 2026	Staff	Staff submit draft department budgets to the Finance & Admin Manager	N/A
March 31, 2026	Board	Review 1st draft of 2026-2027 Budget	Review/Recommendations – No Action
May 26, 2026	Board	Review 2 nd draft of 2026-2027 Budget	Review/Recommendations – No Action
May 29, 2026	Staff	Mail rate increase notifications 30 days prior to July 2026 billings	N/A
June 30, 2026	Board	• Final Draft 2026-2027 Budget • Resolution Adopting Rates/Charges • Resolution Adopting Salary Scales	Actions, Consider: 1. 2026-2027 Budget 2. Resolution Adopting Rates/Charges 3. Resolution adopting new salary scales

Fire Capital Funding

In addition to a reserve account primarily funded through excess tax revenue, the Fire Department is required to maintain a separate capital fund for mitigation (or impact) to ensure compliance with Government Code section 66000, also known as the Mitigation Fee Act. The fund levies fire impact fees on new residential and nonresidential development, for the purpose of offsetting the impact of new development on public services. The fund must be used solely for capital improvements

and up to 18% of apparatus replacement costs. Keeping these funds separate ensures legal compliance, promotes transparency, supports long-term capital planning, and simplifies auditing and reporting by clearly showing that funds are used for their intended purpose. The current balance is \$110,000. Lastly, the current fee schedule allows for:

- Up to **\$2.81/sq. ft.** for residential development
- Up to **\$4.03/sq. ft.** for nonresidential development (depending on occupancy type)

INVESTMENTS

Pooled Investments and CDs

The District maintains reserve funds in California CLASS, Placer County Investments, Certificates of Deposits, and the Local Agency Investment Fund (LAIF), focusing on liquidity, safety and return. California CLASS offers the a current rate of return of 3.7%, followed by the CDs ranging from 3.05% to 4.65%, and Placer County at 3.9%. Interest earned is allocated across all departments based on reserve balances. The District forecasts conservative interest earnings and continues to manage reserves in alignment with its Investment Policy, directing funds to the highest-yielding , policy-compliant vehicles. Most reserves are held with California CLASS and Placer County due to their liquidity. CDs are used selectively when they offer a higher return than California CLASS or Placer County and comply with the Policy requirements. Investment funds are retained until they needed for expenditures.

115 Trusts

The District established a California Employers' Pension Prefunding Trust (CEPPT) with CalPERS to pre-fund retiree pension obligations. The District contributed \$250,000 to establish a CEPPT for the Utility Department and \$200,000 for the Fire Department. When CalPERS distributes the annual valuation in August 2026, the District will determine what, if any, contribution or reimbursement should be made to or from the Trust.

The District established a California Employers' Retiree Benefit Trust (CERBT) with CalPERS to pre-fund retiree health obligations. The District has contributed annually to both the Fire and Utility Departments to establish a CERBT to reduce the actuarially determined unfunded other post-employment benefit (OPEB) liability. In FY2027, at a minimum, the District will contribute another \$25,000 to the CERBT for the Fire Department and \$25,000 to the Utility Department as we work toward a fully funded status.



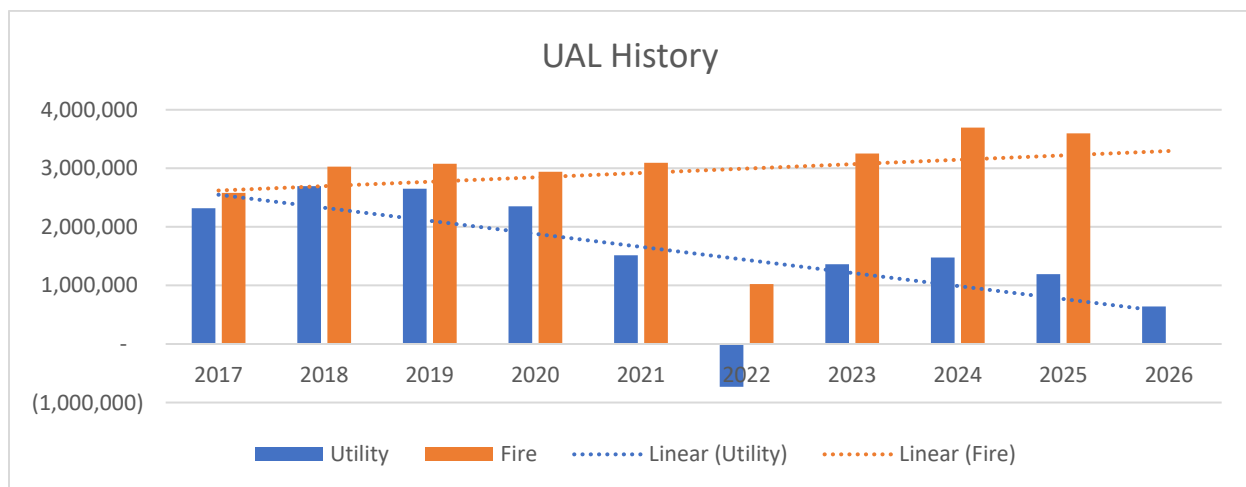
DEBT

The District currently has no outstanding debt in the form of conventional loans, revenue bonds, general obligation bonds, or any other typical financing seen at special districts.

Unfunded Accrued Liability (UAL):

GASB 68 was implemented to improve financial reporting concerning pensions. This is because most pensions are underfunded, meaning assets available 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, and savings are slowly being realized.

In the first year that GASB 68 was implemented, the District's unfunded balance amounted to approximately \$3,000,000. In FY2026-27, the balance is \$3,498,000 (\$2,855,000 liability for the Fire Department and \$643,000 for the Utility Department). CalPERS proposes that agencies pay their unfunded balances off over 20 years at a 6.8% annual interest rate (the current discount rate). To avoid paying millions of dollars extra in interest, the District has taken an aggressive approach to get the Classic member plans to a 90% funded level. Since 2019, the Board has approved several additional payments amounting to \$3,835,000. In FY2026-27, the Utility Department is estimated to be at a 94% funded level, and the Fire Department at 87%. Note that the unfunded accrued liability varies annually based on CalPERS investment performance, true-up actuarial assumptions, and changes in amortization bases, so these payments will be reassessed each year to achieve, then maintain, a 90% funded level.



FINANCIAL POLICIES

Financial policies are used to establish similar goals and targets for the District's financial operation, allowing the Board and District officials to monitor how well the District is performing. The policies represent guidelines for evaluating both current activities and proposals for future programs. Approved financial policies provide a consistent approach to evaluating strategies and ensure the District maintains a balanced budget. Complete policies can be found at www.ovpsd.org.

The District considers the budget balanced when recurring revenues are equal to or in excess of recurring expenditures, or in the case where recurring revenues are less than recurring expenditures, there are adequate reserves to cover the excess expenditures. Recurring revenues include annual charges and ad valorem revenue. Recurring expenditures include ongoing expenses, debt service, and maintenance expenditures. This document reflects a balanced budget.

Budget Preparation and Financial Planning Policy:

This policy establishes the framework for how the District prepares, adopts, and administers its annual budget to ensure fiscal responsibility, structural balance, and alignment with the strategic plan and the community's long-term needs.

Rates Policy:

This policy establishes the framework by which the District sets, reviews, and adjusts rates for water, sewer, and garbage services to ensure full cost recovery, long-term financial sustainability, and equitable treatment of ratepayers.

Financial Reporting Policy:

This policy establishes the framework by which the District produces, distributes, and maintains financial reports that are accurate, timely, compliant with applicable standards, and accessible to the public.

Capital Asset Policy:

This policy is to (a) provide direction on the application of Governmental Accounting Standards Board (GASB) standards, as they relate to capital assets, and to inform the District's financial statements of how to classify an asset, depreciation methods, and limits.

Capital Improvement Policy:

This policy establishes the framework by which the District plans, prioritizes, funds, and oversees capital investments to ensure the long-term reliability and fiscal sustainability of its infrastructure and services.

Grant Policy:

This policy establishes uniform guidelines for the pursuit, acceptance, management, and compliance of grant funding to ensure accountability, transparency, and the responsible stewardship of public resources.

GASB 54 Fund Balance Policy:

This policy establishes the classification, reporting, and expenditure hierarchy of fund balances for the District's governmental fund in accordance with GASB Statement No. 54 and provides a measure of financial protection against unforeseen circumstances.

Investment Policy:

This policy establishes guidelines for the prudent investment of District funds in compliance with California Government Code (CGC) requirements. The guidelines assist the District in managing funds in a prudent and diligent manner, with an emphasis on the safety of principal, liquidity, and yield. They also ensure proper controls and safeguards are in place. To meet the daily cash flow demands of the District and conform to all state and local statutes governing the investment of public funds.

Reserve Policy:

This policy establishes appropriate fund reserves by category, identifies a purpose for each category, appropriate target levels, funding sources, and conditions under which each is to be used and replenished. It is consistent with sound, prudent scaling practices, compliant with legal requirements, and essential to ensure that the District can effectively address external variations. Goals adequately provide for economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy.

Procurement Policy:

This policy establishes appropriate procedures for the procurement of supplies, materials, equipment, and services, including construction and capital improvements, for District use and to relate to the principles of applicable provisions of governing law and to District administrative policies. Established bid thresholds and invoice authorization thresholds across all levels of leadership with authority. The policy also prevents conflict of interest and unauthorized purchases.



Section III: Financial Summaries

FINANCIAL SUMMARY FOR FISCAL YEAR 2026 – 2027



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

FINANCIAL SUMMARY FOR BUDGET YEAR 2026 - 2027



	Water	Sewer	Garbage	Bike Trail	Total Utility	Total Fire	Consolidated
	5%	4%	5.5%	0%			
Revenue							
Rate Revenue	\$ 2,612,400	\$ 1,942,091	\$ 446,607	\$ -	\$ 5,001,097	\$ -	\$ 5,001,097
Tax Revenue	250,000	250,000	-	-	500,000	4,932,099	5,432,099
Rental Revenue	57,794	57,794			115,587	57,794	173,381
Grants, Admin, Interest & Misc	232,499	135,233		47,380	415,113	519,304	934,417
Connection/Mitigation Fees	20,000	10,000	-	-	30,000	5,000	35,000
Total Revenue	3,172,693	2,395,117	446,607	47,380	6,061,797	5,514,197	11,575,994
	-	-				-	
Expenses							
Payroll & Benefits	1,369,734	1,368,768	1,250	-	2,739,752	4,120,018	6,859,770
Operating Expenses	773,953	381,869	445,343	22,380	1,623,545	1,062,403	2,685,948
Reserve Contributions	800,000	600,000	-	25,000	1,425,000	315,000	1,740,000
Total Expenses & Contribution:	2,943,687	2,350,637	446,593	47,380	5,788,297	5,497,421	11,285,718
	-	-					
Surplus (Loss)	229,006	44,480	14	-	273,500	16,776	290,277
Contributions to reserves	(229,006)	(44,480)	(14)	-	(273,500)	(16,776)	(290,277)
							-
Balance	-	-	-	-	-	-	(0)
Reserve Rollforward							
Begin Fund Balance 7/1/26	4,286,475	4,953,357	150,000	180,000	9,569,832	2,220,369	11,790,201
Capital Projects	(1,005,000)	(1,745,538)	(83,333)	-	(2,833,871)	(751,167)	(3,585,038)
Contributions	1,029,006	644,480	14	25,000	1,698,500	331,776	2,030,277
Ending Fund Balance 6/30/27	4,310,481	3,852,300	66,681	205,000	8,434,461	1,800,979	10,235,440

Utility (Enterprise Fund) Operating Budget FY2026 - 2027



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT UTILITY & ADMINISTRATIVE DEPARTMENT OPERATING BUDGET FOR FISCAL YEAR 2026-2027



	2024 - 25 ACTUAL	2025 - 26 BUDGET	2025 - 26 EXPECTED	2026-27 BUDGET	Inc/ (Dec) from Prior Year	% CHANGE
REVENUES:						
Water Revenue - Rates	\$ 2,297,928	\$ 2,507,683	\$ 2,507,682	\$ 2,612,400	\$ 104,718	4.2%
Water Revenue - Property Tax	212,586	200,000	300,000	250,000	(50,000) ▲	-16.7%
Sewer Revenue - Rates	1,701,653	1,841,182	1,840,739	1,942,091	101,352	5.5%
Sewer Revenue - Property Tax	212,586	200,000	300,000	250,000	(50,000) ▲	-16.7%
Garbage Revenue	398,892	423,044	422,650	446,607	23,957	5.7%
Rental Revenue	80,084	105,299	105,299	115,587	10,289	9.8%
Bike Trail Snow Removal	47,380	47,380	47,380	47,380	-	0%
Grants, Surplus, Admin, Billable	504,497	248,190	351,908	367,733	15,824	4.5%
TOTAL REVENUE:	\$ 5,455,607	\$ 5,572,778	\$ 5,875,658	\$ 6,031,797	\$ 156,139	2.7%
OPERATING EXPENSES:						
Salaries & Wages	\$ 1,597,004	\$ 1,773,133	\$ 1,649,334	\$ 1,780,163	\$ 130,828	8%
Benefits	1,055,920	819,380	967,739	958,339	(9,400)	-1%
Field Expenses	653,360	815,850	800,267	795,776	(4,491)	-1%
Board Expenses	43,667	35,263	41,153	40,996	(157)	0%
Consulting Services	189,507	319,750	233,715	251,576	17,861	8%
Insurance	101,971	113,228	103,029	107,102	4,073	4%
Licenses/Permits/Contracts	55,315	58,956	65,741	70,289	4,548	7%
Office Expenses	73,645	82,610	61,810	70,500	8,690	14%
Professional Development	12,701	26,926	22,000	25,526	3,526	16%
Utilities	241,379	286,284	228,647	240,650	12,003	5%
Bike Trail	25,110	22,380	22,380	22,380	-	0%
Interest & Misc	4,802	-	-	-	-	0%
TOTAL OPERATING EXPENSES	\$ 4,054,379	\$ 4,353,760	\$ 4,195,815	\$ 4,363,297	\$ 167,483	4.0%
Net Income (Loss) Before Non-Operating Expenses	\$ 1,401,227	\$ 1,219,018	\$ 1,679,843	\$ 1,668,500	\$ (11,343)	-1%
NON - OPERATING EXPENSES:						
Building Loan	118,461	124,811	124,811	-	(124,811)	-100.0%
TOTAL NON-OPERATING EXPENSES	\$ 118,461	\$ 124,811	\$ 124,811	\$ -	\$ (124,811)	
OPERATING SURPLUS/ (LOSS)	\$ 1,282,766	\$ 1,094,207	\$ 1,555,032	\$ 1,668,500	\$ 113,468	\$ (0)
TRANSFER TO RESERVES	(1,282,766)	(1,094,207)	(1,555,032)	(1,668,500)	(113,468)	0
	-	-	-	-	-	-

Utility Fund – Operating Revenues

For fiscal year 2026–27, the Board adopted rate adjustments below the maximum levels identified in the 2025 Proposition 218 process completed in June 2025, including a 5% increase for water services and a 4% increase for sewer services. The Proposition 218 process requires formal notification to property owners and provides a 45-day protest period for proposed rate changes.

As protests did not exceed the majority threshold, the rates were adopted in accordance with the findings of the District's Cost of Service and Rate Study.

Garbage rates will increase by 5.5%, primarily due to a 5.41% increase in contractual costs associated with Truckee Tahoe Sierra Disposal. These rate adjustments also support the District's provision of green-waste disposal programs offered to customers.

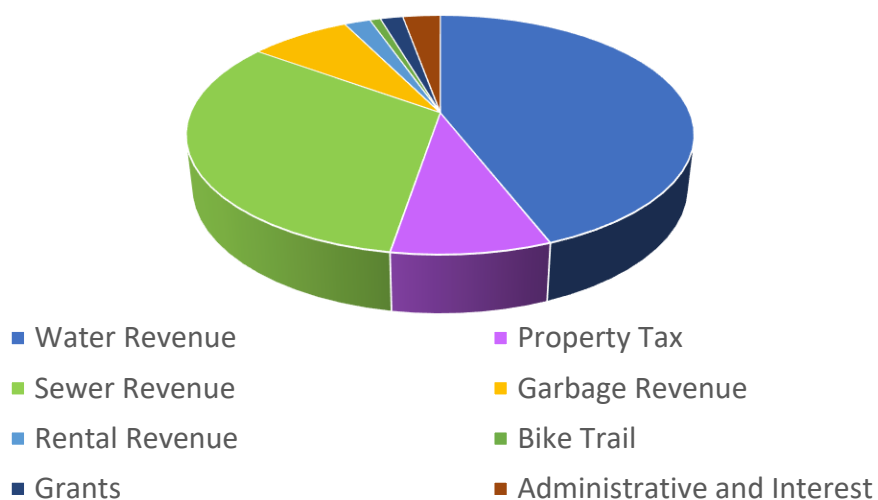
Total rate revenue from water, sewer, and garbage services is budgeted at approximately \$5 million for the fiscal year and represents the primary funding source for the Utility Fund. Future year revenue projections follow the District's Cost of Service and Rate Study prepared by HDR Engineering, Inc.

In addition to service charges, the Utility Fund receives revenue from connection fees, which are one-time charges assessed on new development to recover the cost of expanding system capacity and infrastructure. Due to the variability in development activity, these revenues are conservatively budgeted and are not relied upon as a stable or ongoing funding source.

The District generates supplemental revenue through the rental of office and garage space located at 1810 Olympic Valley Road. Total rental revenue is budgeted at approximately \$173,000 and is allocated proportionally among utility and Fire operations. Additional minor revenues include bike trail snow removal services, reimbursable work performed by District staff, and administrative fees, all of which contribute to overall cost recovery.

Lastly, there is \$100,000 budgeted in grant revenue from the Department of Water Resources. This relates to completing stream gauge meter installations and monitoring along Washeshu Creek.

Proposed Utility (Enterprise) Revenue



Utility Fund – Operating Expenses

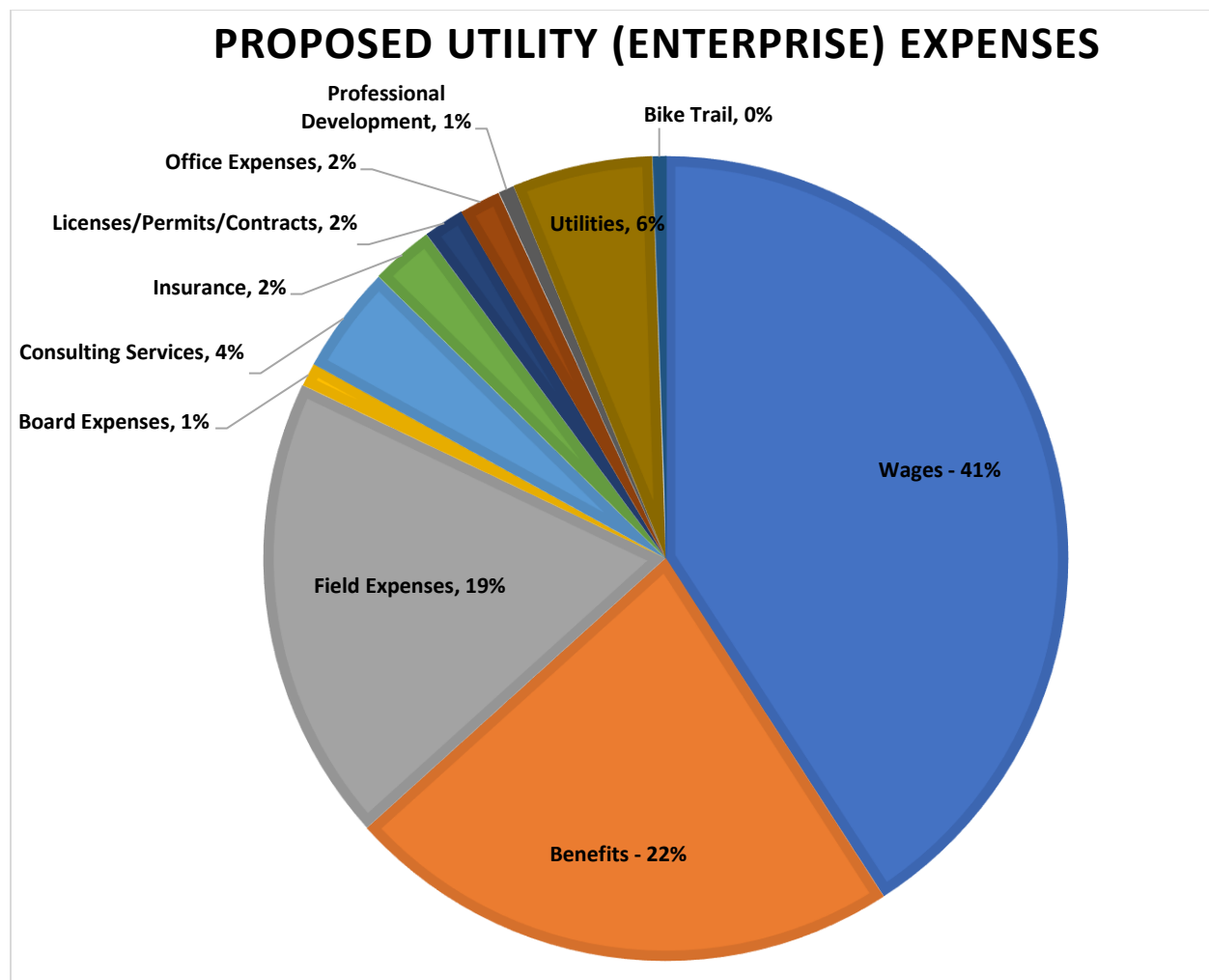
Total operating expenditures are budgeted at \$4,363,000 reflecting a \$167,000 (4%) increase over projected actuals for FY2025-26. While inflation is currently reported at approximately 3.8%, the following are key expenditure components and budget drivers:

- **Wages (\$1,780,000):** Increasing 8% primarily due to a 4% cost of living adjustment (COLA), merit increases, step increases, or anticipated incentives. Additionally, FY2025-26 wage expenditures were below budget due to staffing shortages and employees on medical leave. This is not expected in the upcoming fiscal year.
- **Benefits (\$958,000):** No increase. Health insurance is anticipated to increase by 9% at the start of the calendar year. The required contribution toward the CalPERS Unfunded Accrued Liability (UAL) for the Miscellaneous group is budgeted at \$200,000, up from \$92,000 in the prior year due to changes in actuarial assumptions. The District's CalPERS funding level is increasing from 85% to 87% as of the June 30, 2024, valuation, primarily driven by the 9.3% investment return CalPERS reported for that fiscal year (the target was 6.8%). Workers' Compensation is showing a 16% decrease, primarily due to the District's Experience Modification Rate (EMOD), decreased from 120% to 91% due to minimal claims history. The District's pension profile also continues to shift toward lower-cost retirement plans. Approximately 93% of employees in the Operations and Administration Departments are enrolled in the PEPRA (Public Employees' Pension Reform Act) system, which applies to employees hired on or after January 1, 2013. Employer contribution rates are decreasing slightly for both tiers. For FY2026-27, the Classic employer rate will decrease from 17.31% to 17.30%, and the PEPRA rate will decrease from 8.59% to 8.56%.
- **Field expenses (\$796,000):** Decreasing 1%. The expenses includes materials, water meter testing, repairs, maintenance, training, and chemicals such as caustic soda, which continue to rise in price due to inflationary and market conditions. The primary reason for the decrease is that extensive well maintenance was performed on Well 5R in the prior year. This is not anticipated in the current year.
- **Board Expenses (\$41,000):** No increase. In the prior year, there was an increase in board member medical reimbursements.
- **Consulting Services (\$252,000):** Expenses include annual services for engineering, hydrogeology, legal fees, and auditing. There is also \$47,000 toward completion of the Water Master Plan.
- **Property and Liability Insurance (\$107,000):** increasing 4% due to higher building values and rising reinsurance costs through Special District Risk Management Authority.
- **Licenses, Permits & Contracts (\$70,000):** Includes software subscriptions and memberships, and service agreements such as the California Special Districts Association, Springbrook, VUEWorks, Syncta, ArcGIS Online, Xpress Bill pay, Konica Copier, and Parcel Quest.
- **Office Expenses (\$70,000):** Includes standard office supplies, newsletter printings, office cleanings, IT support, internet, and website maintenance. There is an increase due to an additional deep clean of the office after completion of the HVAC project.

- **Professional Development (\$26,000):** Supports employee training, conferences, continuing education and employee recognition events.
- **Utilities (\$241,000):** Reflects continued increases in electricity costs, consistent with recent trends and notifications. These expenses also include propane for facility heating and telephone services.
- 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

Snow removal on 2.3 miles of bike trails continues at a budgeted cost of \$47,380, fully funded by Placer County. Any unused funds accrue in the bike trail reserve, currently holding \$180,000, for future equipment replacement.



Fire Department Fund (Governmental Fund) Operating Budget FY2026 – 2027



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT FIRE DEPARTMENT OPERATING BUDGET FOR FISCAL YEAR 2026-2027



	2024 - 25 ACTUALS	2025-26 BUDGET	2025 - 26 EXPECTED	2026-27 BUDGET	Inc/ (Dec) from Prior Year	% CHANGE
REVENUES:						
Property Tax	\$ 4,492,000	\$ 4,641,579	\$ 4,641,579	\$ 4,932,099	\$ 290,520	6.3%
Mutual Aid	40,604	-	1,500	-	(1,500)	-100%
Rental Revenue	40,042	52,649	52,649	57,794	5,145	10%
Inspection Fees	45,472	30,000	40,000	35,000	(5,000)	-13%
Grants	232,399	600,000	600,000	415,000	(185,000)	-31%
Admin, Interest & Misc	166,057	57,230	75,798	69,304	(6,493)	-9%
TOTAL REVENUE:	\$ 5,016,574	\$ 5,381,458	\$ 5,411,526	\$ 5,509,197	\$ 97,671	1.8%
	-	-	-	-		
OPERATING EXPENSES:						
Salaries & Wages	\$ 2,030,030	\$ 2,066,438	\$ 2,039,143	\$ 2,085,096	\$ 45,952	2.3%
Benefits	1,454,091	1,373,086	1,384,907	1,558,277	173,370	12.5%
Admin Salaries & Benefits	374,829	447,593	447,593	476,645	29,052	6.5%
Field Expenses	139,561	179,305	158,033	177,858	19,825	12.5%
Board Expenses	26,778	35,125	35,000	40,525	5,525	15.8%
Contract Work	226,544	664,900	665,238	510,725	(154,513)	-23.2%
Insurance	65,977	67,536	70,599	72,390	1,791	2.5%
Licenses/Permits/Contracts	84,292	91,819	90,300	109,655	19,355	21.4%
Office Expenses	22,453	28,910	26,910	27,260	350	1.3%
Professional Development	11,276	15,500	15,500	18,025	2,525	16.3%
Utilities	107,312	122,135	100,335	105,965	5,630	5.6%
TOTAL OPERATING EXPENSES	\$ 4,543,143	\$ 5,092,347	\$ 5,033,559	\$ 5,182,421	\$ 148,862	3.0%
	-	-	-	-		
Net Income (Loss) Before Non-Operating Expenses	\$ 473,431	\$ 289,111	\$ 377,967	\$ 326,776	\$ (51,191)	
NON - OPERATING EXPENSES:						
	-	-	-	-	-	0%
TOTAL NON-OPERATING EXPENSE	\$ -	\$ -	\$ -	\$ -	\$ -	
NET OPERATING INC/ (DEC)	\$ 473,431	\$ 289,111	\$ 377,967	\$ 326,776	\$ (51,191)	-14%
TRANSFER TO RESERVES	\$ (473,431)	\$ (289,111)	\$ (377,967)	\$ (326,776)	\$ 51,191	14%
	-	-	-	-	-	-

Fire Fund – Operating Revenues

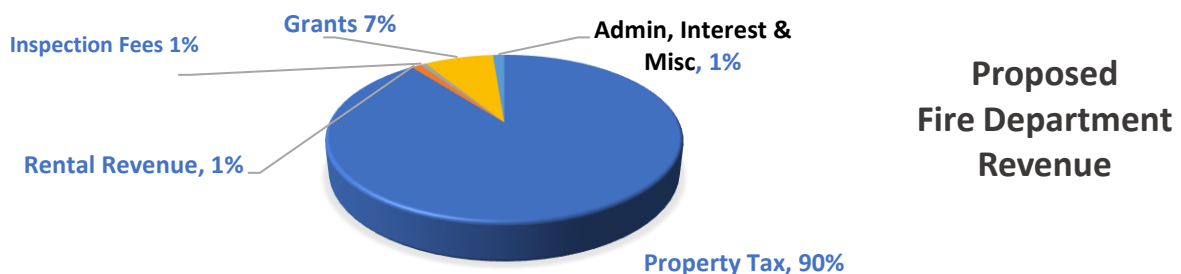
The District receives two property tax allocations from Placer County, with total property tax revenue for fiscal year 2026–27 estimated at approximately \$5.43 million, net of fees. This represents a projected increase of 3.14% over the prior year, based on the 2025–26 assessed valuation adjusted for the California Consumer Price Index and the District’s Tax Rate Area (TRA) allocation. Of this total, approximately \$4.93 million is allocated directly to fire operations. Updated property tax projections are provided annually by the County, typically in September, and may result in adjustments to revenue estimates. Future revenue projections assume annual growth of 2.5%. This is due to laws under Proposition 13 from 1978, which don’t allow for a property to increase its taxable assessed value by more than 2 percent, unless the property is sold or improved. As a result, additional property tax growth may occur when the property ownership changes or when remodels and improvements trigger reassessment.

The Fire Department also budgets for modest revenue from facility rentals (\$58,000) and inspections (\$35,000). The Fire Department occasionally receives revenue from assisting with wildland fires; however, due to the unpredictability of strike team participation, these revenues are not included in the budget.

The District currently manages \$1,450,000 in active fuels management grants, including:

1. **OV-2:** \$650,000 from Truckee Tahoe Airport District (TTAD) for community outreach and execution of an 80-acre shaded fuel break on the North Slope of the Valley.
2. **OV-4:** \$400,000 from Truckee Tahoe Airport District (TTAD) for community outreach and the execution of a 150-foot-wide, 90-acre fuel break in the valley.
3. **OV-5:** \$400,000 from Truckee Tahoe Airport District (TTAD) for community outreach and the execution of a 100-acre shaded fuel break on the South Slope of the Valley.

Over the past four years, the District has secured over \$2 million in external funding to support fuel management efforts. The District has significantly contributed to the program by funding staff wages and benefits, developing signage and communications, supporting green waste disposal initiatives, and maintaining an on-call contract with Feather River Forestry for professional forestry consulting services. To support these initiatives, the Fire Department’s budget includes \$20,000 allocated to Feather River Forestry for administrative tasks and further grant-seeking efforts.

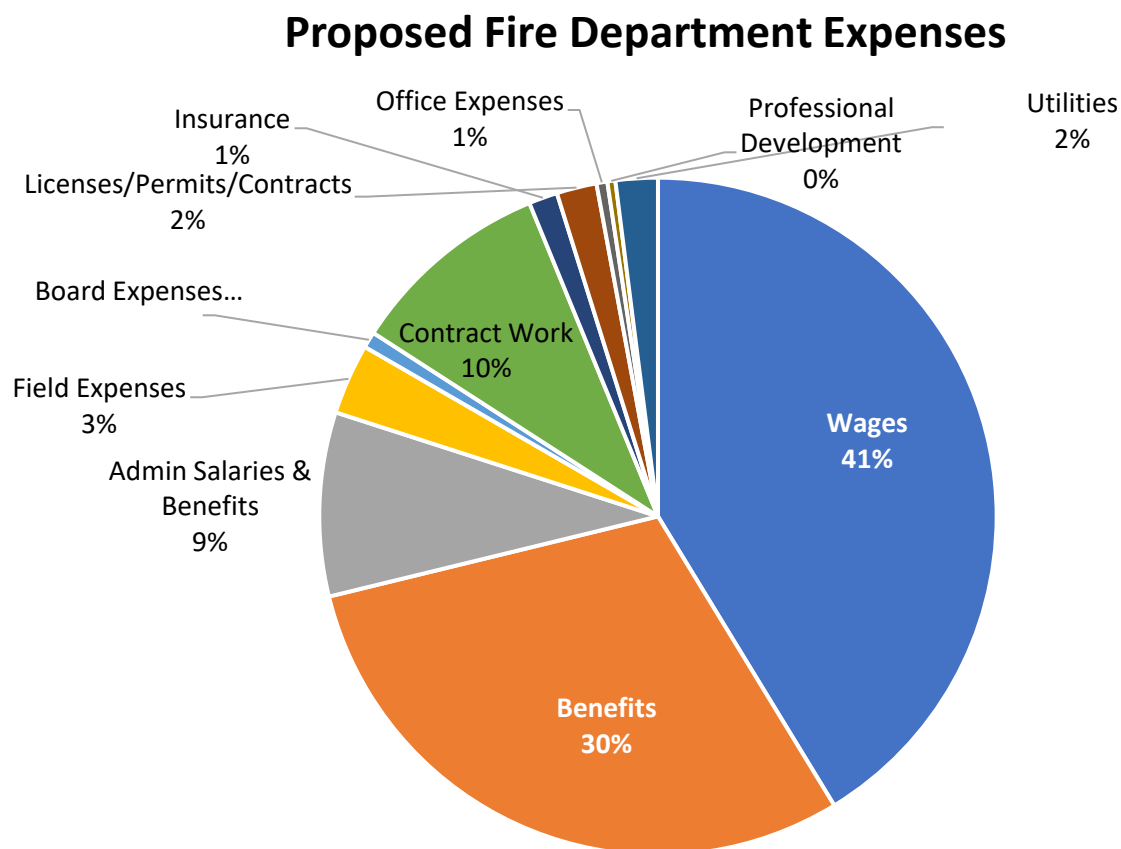


Fire Fund – Operating Expenses

Total operating expenditures are budgeted at \$5,182,000, an increase of \$149,000 (3%) from FY2025- 26. In addition to inflation currently reported at 3.8%, the following are key expenditure components and drivers:

- **Wages (\$2,085,000):** Increasing 2%, primarily due to a 4% cost-of-living adjustment (COLA), scheduled step increases, and anticipated incentives. This reflects the staffing of one Fire Chief and 12 full-time staff members. The department is currently down one firefighter. Additionally, there is no Fire Prevention Officer, and these duties will be partially contracted out to a third party. The District does not budget for strike teams because of the uncertainty in activity during any given wildfire season.
- **Benefits (\$1,558,000):** Increasing 13% primarily due to wage increases as described above. Additionally, the required contribution to the CalPERS Unfunded Accrued Liability (UAL) for the Safety group, which is budgeted at \$378,000 this year, is up from \$334,000 due to changes in actuarial assumptions. The District's funding level is increasing from 78% to 80% as of the June 30, 2024 valuation, primarily driven by the 9.3% investment return CalPERS reported for that fiscal year (the target was 6.8%). Health insurance costs with CalPERS PORAC are also expected to rise, with a projected 5% increase in premiums beginning in 2027. Next, Workers' Compensation is showing a 16% decrease, primarily due to the District's Experience Modification Rate (EMOD), which decreased from 120% to 91% due to minimal claims history. Lastly, the pension profile of the District continues to shift toward lower-cost plans. Approximately 43% of employees in the Fire Department are enrolled in the PEPRA (Public Employees' Pension Reform Act) system, which applies to employees hired on or after January 1, 2013. While employer contribution rates are increasing slightly for both tiers, PEPRA rates remain significantly lower. For FY2026- 27, the Classic employer rate will increase from 27.38% to 27.42%, and the PEPRA rate will decrease from 13.99% to 13.91%. As noted above, the District budgets conservatively for strike teams, so the budget shows zero reimbursable wages.
- **Administrative Salaries and Benefits (\$477,000):** One-third of administrative salaries and benefits are allocated to the Fire Department.
- **Field expenses (\$178,000):**
 - Materials/Supplies (\$45,000) – medical supplies, hose replacement, personal protective equipment (PPE), rescue gear, uniforms, etc.
 - Maintenance/Repair (\$63,000) – includes apparatus testing, annual compressor service, small tool replacements, facility maintenance, building operating permits, and alarm systems.
 - Training/Memberships (\$32,000) – includes an occupational medical program that is intended to reduce risks and provide health, safety, and effectiveness for firefighters, as well as other ongoing certifications.
 - Vehicle Maintenance (\$38,000) - Covers preventative maintenance, repairs, fuel, and hazardous materials fees.
- **Board expenses (\$41,000):** Covers Board member compensation, trainings, and supplies.
- **Contract Work (\$511,000):** Includes \$400,000 for the OV-5 fuels reduction project (this is grant-funded). Also includes shared costs for legal fees, the annual audit, and a revised Community Wildfire Protection Plan.

- **Property and Liability Insurance (\$72,000):** A 2.5% increase due to higher building values and rising reinsurance costs through SDRMA.
- **Licenses/Permits/Contracts (\$110,000):** Includes CalFire Dispatch and operational software like Lexipol, Aladtec scheduling, Springbrook, Fire Aside, and platforms for electronic patient care and fire reporting.
- **Office Expenses (\$27,000):** This includes standard office expenses, newsletter printings, IT support, internet, and website maintenance.
- **Professional Development (\$18,000):** This includes meeting expenses, employee recognition events, and recruitment for new hires.
- **Utilities (\$106,000):** Reflects a 6% increase, consistent with recent trends and notifications regarding electric and propane costs. These expenses also include telephone charges.
- **Other expenses:** Changes under 5% or less than \$5,000 are deemed immaterial and are generally considered inflationary.



CAPITAL PROGRAM

A capital expenditure is money spent by the District to acquire, upgrade, or extend the life of a long-term asset. For a project to be a capital expenditure, it must be something that will provide value for more than one year, not be a day-to-day operating expense, and cost at least \$10,000. The District maintains a robust, long-term capital planning framework to ensure the reliable replacement and expansion of public infrastructure. The FY2026- 27 budget reflects the District's 100-year Capital Improvement Plan, which forecasts infrastructure needs well into the future and informs annual contributions to capital reserves. These reserves fund the replacement of assets at the end of their useful life, helping the District avoid reliance on debt, reduce long-term interest expenses, and minimize the need for sudden rate increases.

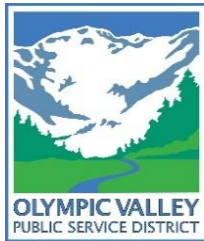
The identification and prioritization of capital projects is an ongoing and collaborative process. The District maintains a comprehensive asset inventory that includes estimated useful lives and anticipated replacement timelines for major infrastructure and equipment. While this long-range planning framework provides a baseline, project timing is evaluated annually based on the current condition of assets, operational needs, regulatory requirements, and available funding.

The Capital Improvement Plan is developed as part of the annual budget process, with each department head playing a key role in evaluating needs and recommending projects within their area of responsibility. The proposed capital budget is reviewed over several months by District staff, the Board of Directors, and the public. This iterative process ensures that capital investments are aligned with organizational priorities, responsive to changing conditions, and fiscally sustainable before final adoption in June.

Nonrecurring capital projects can have both immediate and long-term impacts on the District's operating budget. In the short term, large capital projects may require temporary increases in expenditures related to project management, design, permitting, and construction oversight. Upon completion, these projects can either increase or decrease ongoing operating costs depending on their nature. For example, new or expanded facilities and infrastructure may result in higher costs for staffing, utilities, maintenance, and insurance. Conversely, the timely replacement of water mains, vehicles, and fire apparatus decreases repair costs and enhances operational efficiency.

The District evaluates the operating impact of significant capital projects as part of the budget process. Where applicable, departments estimate changes in annual operating costs associated with each project, including anticipated savings or cost increases. While impacts vary by project, capital replacements are generally expected to stabilize or modestly reduce operating expenditures over time, whereas expansion projects may result in incremental ongoing costs. These projected impacts are incorporated into the District's financial planning to ensure that both current and future operating budgets remain balanced and sustainable.

Capital Expenditure Summary Fiscal Year 2026 – 2027



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT CAPITAL PROJECT SUMMARY PROPOSED BUDGET 2026-2027



	PROJECT COST	WATER DEPT	SEWER DEPT	GARBAGE DEPT	FIRE DEPT
CAPITAL PROJECTS					
Water					
Plumpjack Well	300,000	300,000			
Streamflow Gage	100,000	100,000			
Hydrants	25,000	25,000			
Well 2R Chemical Feed Equipment Replacement	65,000	65,000			
Well 5R Chemical Feed Equipment Replacement	40,000	40,000			
Well 5R - Roof and Siding	15,000	15,000			
Sewer					
CIP #5 - High Priority Assets	934,266		934,266		
Snowfall Loop Sewer Improvements	351,272		351,272		
Fire					
Turnout Gear Replacement	18,500				18,500
ALS Monitors	140,000				140,000
Radios	8,500				8,500
Station Air Compressor	7,500				7,500
Homatro Comi Extrication Tool	20,000				20,000
Shared Assets					
305 HVAC	900,000	225,000	225,000		450,000
305 Replace Lights	10,000	2,500	2,500		5,000
305 Replace Locks	10,000	2,500	2,500		5,000
305 Zone 0 landscaping	20,000	5,000	5,000		10,000
Loader	260,000	86,667	86,667		86,667
SCADA Upgrade Project	100,000	50,000	50,000		
Confined Space Equipment	10,000	5,000	5,000		
1810 AC Repaving	250,000	83,333	83,333	83,333	
TOTAL CAPITAL PROJECTS	3,585,038	1,005,000	1,745,538	83,333	751,167

Utility (Enterprise Fund) Capital Projects

Sewer Collection System Improvement Project

The District recently completed a comprehensive Sewer System Master Plan (Plan) to identify capital project needs to ensure the system functions effectively under current and future conditions. The Plan developed a near and long-term Capital improvement Plan (CIP) which identifies improvements necessary because of the condition of existing sewer assets, expanding or increased capacity needs, infiltration and inflow reduction, and upgrades to undersized backyard sewer mains. The plan has identified approximately \$3.6M in capital improvements

over the next 5 years (FY27-FY31). The CIP #5 project rehabilitates 27 sewer mains and 37 sewer manholes, replaces 8 manholes, and installs 2 new manholes. The fiscal year 2026-27 budget shows \$934,000. The second project identified for the year is the Snowfall Loop Sewer Improvements. The current fiscal year budget is \$351,000 and all relates to planning. Sewer projects will be funded by the Sewer Reserve account.

305 Olympic Valley Road Boiler and Controls (HVAC) Replacement Project: The OVPSD Fire Station & Administration Center building heating, ventilation, and air conditioning (HVAC) system was constructed in 2005. Since its installation, the system has had many issues including inconsistent heating and cooling, inefficiencies that result in high energy use, boiler and pump failures, and more. Additionally, the ability of operations staff to keep the system up and running efficiently has been strained. The HVAC system is comprised of a mechanical air distribution system of variable air volume with reheat, an air handling unit, two boilers, a cooling coil, two separate hydronic systems, and a domestic hot water heater. Nearly all these components have been in operation for 20 years and are nearing the end of their useful life. Repair and replacement of these components will be costly and require careful planning and budgeting in advance of their replacement. The project is expected to be constructed in 2026 and 2027 at an estimated total project cost of \$2M, split equally among the Utility and Fire Department.

PlumpJack Well: The District drilled a well on the PlumpJack property in 2018. The budget for the current year includes \$300,000 for planning Phase II. Phase II involves 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 pit-less adapter, water treatment and pump control equipment, site access and piping, and landscape improvements. The total cost of the project is expected to be \$1,850,000.

Loader Replacement: The current loader is used primarily for snow removal and for utility department needs. It is a 28-year-old loader and is in need of replacement. A new loader is budgeted at \$260,000 and the cost will be split equally with the Utility and Fire Department. The old loader will be surplus, with proceeds going toward the replacement.

Facility Replacements: The Utility Department is allocated a portion of the costs for facilities, such as parking lot repaving, lighting, locks, and landscaping, totaling \$270,000 from the Water, Sewer and Garbage Reserves.

Future Projects: Pressure Zone 1A commenced in 2021 with a \$55,000 grant and is expected to cost approximately \$1,430,000 and be completed in FY2029-30. The project includes planning, design, and construction of water facilities to reduce exceedingly high-water pressures in the eastern portion of the District's water system. Another large project on the horizon is roof replacement at 305 Olympic Valley Road. This is planned for in FY 2027-28 at a total cost of \$450,000.

Fire Department Fund (Governmental Fund) Capital Projects

305 Olympic Valley Road Boiler and Controls (HVAC) Replacement Project: See description of project above. In the current year, the Fire Department's portion is set at \$450,000.

ALS Monitors: The Fire Department plans to purchase two new cardiac monitors for a total cost of \$140,000. Our current Cardiac Monitors are 10 years old, which, for any electronic device, is nearing the end of their useful life. The proposed cardiac monitors are state-of-the-art and include touchscreen technology, improved pediatric and STEMI analysis, and use Wi-Fi/cloud technology to communicate directly with the hospital (vs. Bluetooth in current models that require the use of a cell phone). The proposed cardiac monitors would be the same make and model as our EMS mutual aid/ground ambulance transport providers

Holmatro Comi Extrication Tool: This is to replace the extrication tool on the engine. The estimated cost is \$20,000. In 2024, OVFD replaced all extrication tools (Jaws of Life) on Rescue 21. On Engine 21, there is a single combination ("combi") tool that is the same make as the tools replaced on Rescue 21. Updating this last tool will allow for a common maintenance schedule, operations, and battery use across all extrication tools. This new tool is more capable, with a higher operating pressure, faster opening/closing speed, and integrated LED lighting.

Turnout Gear Replacement: The budget is set to \$18,500 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, such as lighting, locks, and landscaping, totaling \$20,000 from the Fire Reserve.

Reserve Funds

To maintain the purchasing power of capital reserves, the District uses a standard construction cost index to project future expenses. Each year, the District updates project cost assumptions and adjusts replacement timelines to better reflect current market conditions. For FY2026-27, budgeted capital expenditures total \$2,834,000 for the Utility Department and \$751,000 for the Fire Department. Annual FY2026-27 contributions to the Reserves are as follows:

- **Water Reserve:** \$800,000
- **Sewer Reserve:** \$600,000
- **Bike Trail Reserve:** \$25,000
- **Garbage Reserve:** \$0
- **Fire Reserve:** \$315,000

Reserves for the Utility Fund are primarily funded through rate revenue, however, the District also collects connection fees associated with new development and system capacity enhancements. Reserves for the Fire Department are primarily funded through excess tax revenue or through Fire mitigation fees.

Long Range and Fund Balance Financial Assumptions FY2027 – 2031

The following pages reflect the District's long-term financial plan. The plan is a key tool for aligning annual budgets with strategic priorities and maintaining long-term fiscal sustainability. By incorporating multi-year projections of revenues, expenditures, and fund balances, the plan helps anticipate financial trends, evaluate the impact of policy decisions, and identify funding gaps. As shown in the accompanying chart, the plan is based on consistent growth assumptions across major revenue and expenditure categories. These inflationary factors—generally ranging from 0.0% to 6.0% depending on the cost driver—were developed in coordination with the District's rate study consultants and are consistent with industry standards.

The fund balances below represent the difference between revenues and expenses and measure the District's available capital reserves. It also provides a critical buffer against revenue volatility, unexpected expenditures, and economic uncertainty, while also supporting cash flow and long-term planning needs. The District includes fund balance projections as part of its five-year financial plan to ensure that reserve levels remain adequate and aligned with adopted policies and strategic objectives.

Operating Budget Growth Assumptions

	Projected				
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues					
Customer Growth	Budgeted	0.5%	0.5%	0.5%	0.5%
Property Tax Revenues	Budgeted	2.5%	2.5%	2.5%	2.5%
Miscellaneous Revenues	Budgeted	1.0%	1.0%	1.0%	1.0%
Flat	Budgeted	0.0%	0.0%	0.0%	0.0%
Expenses					
Labor	Budgeted	3.0%	3.0%	3.0%	3.0%
Benefits - Medical	Budgeted	6.0%	6.0%	6.0%	6.0%
Benefits - Other	Budgeted	4.0%	4.0%	4.0%	4.0%
Materials & Supplies	Budgeted	5.0%	5.0%	5.0%	5.0%
Equipment	Budgeted	4.0%	4.0%	4.0%	4.0%
Miscellaneous	Budgeted	3.0%	3.0%	3.0%	3.0%
Utilities	Budgeted	5.0%	5.0%	5.0%	5.0%
Insurance	Budgeted	5.0%	5.0%	5.0%	5.0%
Billed Expenses	Budgeted	3.0%	3.0%	3.0%	3.0%
Flat	Budgeted	0.0%	0.0%	0.0%	0.0%
Interest	2.5%	2.5%	2.5%	2.5%	2.5%
New Debt Service					
<i>Low Interest Loans</i>					
Term in Years	10	10	10	10	10
Rate	2.5%	2.5%	2.5%	2.5%	2.5%

Utility (Enterprise Fund) Water Budget FY2027 – 2031

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue						
Rate Revenues	\$2,507,682	\$2,612,400	\$2,625,462	\$2,638,589	\$2,651,782	\$2,665,041
Non-Operating Revenues	552,783	540,293	435,925	431,997	433,976	422,736
Total Revenues	\$3,060,465	\$3,152,693	\$3,061,387	\$3,070,586	\$3,085,758	\$3,087,776
Expenses						
Total Water Department Expenses	\$804,240	\$763,550	\$794,735	\$827,292	\$861,285	\$896,782
Total Administration Expenses	1,330,112	1,380,137	1,307,865	1,358,993	1,412,281	1,497,827
Total O&M Expenses	\$2,134,352	\$2,143,687	\$2,102,600	\$2,186,285	\$2,273,566	\$2,394,609
Net Annual Debt Service	\$84,460	\$0	\$0	\$0	\$0	\$0
Rate Funded Capital	\$625,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Transfer To / (From) Reserves	\$216,653	\$209,006	\$290,061	\$354,756	\$430,179	\$467,501
Total Revenue Requirement	\$3,060,465	\$3,152,693	\$3,192,660	\$3,341,041	\$3,503,745	\$3,662,109
Balance/(Deficiency) of Funds	\$0	\$0	(\$131,273)	(\$270,455)	(\$417,987)	(\$574,333)
Proposed Rate Adjustment			5.0%	5.0%	5.0%	5.0%
Add'l Revenue from Adj.			\$131,273	\$270,455	\$417,987	\$574,333
Additional Rate Increase Needed			0.0%	0.0%	0.0%	0.0%
Beginning Fund Balance	\$3,856,988	\$4,286,475	\$4,310,481	\$3,370,690	\$3,416,667	\$2,935,999
Plus: Additions	\$861,653	\$1,029,006	\$1,740,100	\$1,174,957	\$2,070,302	\$1,287,904
Less: Uses of Funds	(432,167)	(1,005,000)	(2,679,891)	(1,128,979)	(2,550,970)	(2,313,283)
Total Ending Fund Balance	\$4,286,475	\$4,310,481	\$3,370,690	\$3,416,667	\$2,935,999	\$1,910,619
<i>Minimum: 60 days of O&M</i>	<i>\$350,852</i>	<i>\$352,387</i>	<i>\$345,633</i>	<i>\$359,389</i>	<i>\$373,737</i>	<i>\$393,634</i>
<i>Minimum: 5 year rolling average of capital</i>	<i>\$578,088</i>	<i>\$912,678</i>	<i>\$825,927</i>	<i>\$1,034,443</i>	<i>\$1,169,432</i>	<i>\$1,363,140</i>
Total Target	\$928,941	\$1,265,065	\$1,171,560	\$1,393,833	\$1,543,169	\$1,756,775

Reasons for Significant Changes in Water Fund Balance

- FY2028 will see a 22% decline in fund balance due to a large capital project consisting of constructing the PlumpJack Well as described above under Capital Program. Total reserve minimum balances are still being met.
- FY2030 will see a 14% decline in fund balance due to a large capital project consisting of constructing Pressure Zone 1A as described above under Capital Program. Total reserve minimum balances are still being met.
- FY2031 will see a 34% decline in fund balance due to a large capital project consisting of the replacement of a 10" West Tank Water Transmission Line. Total reserve minimum balances are still being met.

Utility (Enterprise Fund) Water Capital Budget FY2027 – 2031

Capital Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Capital Improvement Projects (CIP)						
East Booster Replacement Project	\$0	\$0	0	0	0	284,670
Pressure Zone 1A Project	0	0	0	266,772	1,164,032	0
305 EV Charing Station	6,500	0	0	0	0	0
Stramflow Gage	70,000	100,000	0	0	0	0
PlumpJack Well	0	300,000	1,549,500	0	0	0
Total Capital Projects	\$76,500	\$400,000	\$1,549,500	\$266,772	\$1,164,032	\$284,670
Capital Replacement Projects (CRP)						
Residential Meter Replacement Proje	40,000	0	0	0	0	0
SCADA Upgrade Project	0	50,000	0	0	0	0
10" West Tank Water Transmission Lir	0	0	0	0	275,576	1,992,688
Fire Hydrant Replacements	0	25,000	25,825	26,677	27,558	28,467
Victor/Hidden Lake 2" Waterline Repl	0	0	41,320	266,772	0	0
Well 2R Pump & Motor Replacement	0	0	103,300	0	0	0
Well 2R Chemical Feed Equipment Re	0	65,000	0	0	0	0
Well 3 Pump & Motor Replacement	0	0	0	0	12,125	0
Well 5R Chemical Feed Equipment Re	0	40,000	0	0	0	0
Well 5R - Roof and Siding	24,000	15,000	0	0	0	0
Main Well Generator	0	0	154,950	0	0	0
Zone 3 Booster Pump Replacement	0	0	0	12,805	0	0
Total Capital Replacement Projects (C	\$64,000	\$195,000	\$325,395	\$306,254	\$315,259	\$2,021,155
Utility Equipment Fleet Projects						
Ford F-350 - Flat Bed ZEV	0	0	0	0	74,014	0
Dodge Ram 2500 ZEV	0	0	40,016	0	0	0
Ford Explorer PI	0	0	0	0	0	0
Ford Dump Truck ZEV	0	0	0	0	0	0
New Holland	0	0	0	0	86,720	0
JD Loader	0	86,667	0	0	0	0
VacCon	0	0	0	483,391	0	0
SCBA Cart	10,000	0	0	0	0	0
Confined Space Equipment	0	5,000	0	0	0	4,612
Total Utility Equipment Fleet Projects	\$10,000	\$91,667	\$40,016	\$483,391	\$160,734	\$4,612
Facilities Capital Projects						
305 AC Slurry Seal/Pave Repair	\$0	\$0	3,874	0	0	0
305 Repaving	0	0	0	0	81,019	0
305 Zone 0 landscaping	0	5,000	0	0	0	0
305 Exterior Wood Surfaces - Paint	0	0	6,456	0	0	0
305 Replace Carpet	0	0	0	29,345	0	0
305 Paint - Interior Walls	0	0	0	21,875	0	0
305 Locks	2,500	2,500	2,583	2,668	2,756	2,847
305 Replace Light Fixtures	2,500	2,500	2,583	2,668	2,756	0
305 HVAC	250,000	225,000	0	0	0	0
305 Roof Replacement	0	0	116,213	0	0	0
1810 AC Slurry Seal/Pave Patch	0	0	0	0	4,593	0
1810 AC Repaving	0	83,333	0	0	0	0
1810 Zone 0 Landscaping	0	0	3,333	0	0	0
1810 Sand Barn	26,667	0	0	0	0	0
1810 Furnace Replacement	0	0	0	16,006	0	0
Total Facilities Capital Projects	\$281,667	\$318,333	\$135,041	\$72,562	\$91,124	\$2,847
To Reserves	\$625,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Total Capital Improvement Projects	\$1,057,167	\$1,805,000	\$2,849,952	\$1,928,979	\$2,531,149	\$3,113,283
Less: Funding Sources						
Capital Reserve (Restricted)	76,500	400,000	1,549,500	266,772	1,164,032	284,670
Reserve Fund	355,667	605,000	500,452	862,207	567,117	2,028,613
Total Funding Sources	\$432,167	\$1,005,000	\$2,049,952	\$1,128,979	\$1,731,149	\$2,313,283
Rate Funded Capital	\$625,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000

*The District assumes 3.3% annual inflation on costs for capital projects. This is determined based on the 10-year average of ENR Construction Cost Index (CCI).

Utility (Enterprise Fund) Sewer Budget FY2027 – 2031

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue						
Rate Revenues	\$1,840,739	\$1,942,091	\$1,951,801	\$1,961,560	\$1,971,368	\$1,981,225
Non-Operating Revenues	504,424	443,027	431,378	435,264	440,827	448,601
Total Revenues	\$2,345,163	\$2,385,117	\$2,383,179	\$2,396,824	\$2,412,195	\$2,429,825
Expenses						
Total Sewer Department Expenses	\$524,233	\$603,495	\$626,835	\$651,159	\$676,512	\$702,942
Total Administration Expenses	1,090,112	1,147,142	1,187,555	1,232,242	1,278,783	1,357,260
Total O&M Expenses	\$1,614,345	\$1,750,637	\$1,814,390	\$1,883,401	\$1,955,295	\$2,060,202
Net Annual Debt Service	\$37,946	\$0	\$0	\$0	\$0	\$0
Rate Funded Capital	\$500,000	\$600,000	\$600,000	\$600,000	\$600,000	\$650,000
Transfer To / (From) Reserves	\$192,873	\$34,480	\$46,860	\$73,486	\$103,053	\$56,151
Total Revenue Requirement	\$2,345,163	\$2,385,117	\$2,461,251	\$2,556,887	\$2,658,348	\$2,766,353
Balance/(Deficiency) of Funds	\$0	\$0	(\$78,072)	(\$160,063)	(\$246,153)	(\$336,528)
Proposed Rate Adjustment			4.0%	4.0%	4.0%	4.0%
Add'l Revenue from Adj.			\$78,072	\$160,063	\$246,153	\$336,528
Additional Rate Increase Needed			0.0%	0.0%	0.0%	0.0%
Beginning Balance	\$5,145,237	\$4,953,357	\$3,852,300	\$3,475,225	\$3,604,064	\$3,347,849
Plus: Additons	\$702,873	\$644,480	\$656,910	\$683,586	\$713,204	\$716,352
Less: Uses of Funds	(\$894,753)	(\$1,745,538)	(\$1,033,985)	(\$554,747)	(\$969,419)	(\$424,292)
Total Ending Fund Balance	\$4,953,357	\$3,852,300	\$3,475,225	\$3,604,064	\$3,347,849	\$3,639,909
<i>Minimum: 60 days of O&M</i>	\$265,372	\$287,776	\$298,256	\$309,600	\$321,418	\$338,663
<i>Minimum: 5 year rolling average of Capital</i>	\$1,033,183	\$945,596	\$743,777	\$611,512	\$624,293	\$531,058
Total Target	\$1,298,555	\$1,233,372	\$1,042,032	\$921,112	\$945,712	\$869,721

Reasons for Significant Changes in Sewer Fund Balance

- FY2027 will see a 23% decline in fund balance due to a large capital project consisting of Sewer Improvement Projects as described above under Capital Program. Total reserve minimum balances are still being met.
- FY2028 will see a 10% decline in fund balance due to a large capital project consisting of Sewer Improvement Projects as described above under Capital Program. There will also be a purchase of a new VacCon truck. Total reserve minimum balances are still being met.

Utility (Enterprise Fund) Sewer Capital Budget FY2027 – 2031

Capital Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Capital Improvement Projects (CIP)						
Sewer Flow Meter Project	26,026	0	0	0	0	0
305 EV Charging Station	6,500	0	0	0	0	0
Total Capital Projects	\$32,526	\$0	\$0	\$0	\$0	\$0
Capital Replacement Projects (CRP)						
CIP #5 - High Priority Assets	\$560,560	934,266	0	0	0	0
Snowfall Loop Sewer Improvements	\$0	351,272	624,730	0	0	0
SCADA Upgrade Project	0	50,000	0	0	0	0
Sewer System CCTV	0	0	0	83,168	67,594	117,402
CO-A50 & A64 Sewer Projects	0	0	0	399,017	686,974	0
CIP #1 East Area	0	0	0	0	0	304,043
Total Capital Replacement Projects (CRP)	\$560,560	\$1,335,538	\$624,730	\$482,185	\$754,568	\$421,445
Utility Equipment Fleet Projects						
Ford F-350 - Flat Bed ZEV	0	0	0	0	37,007	0
Dodge Ram 2500 ZEV	0	0	40,016	0	0	0
Sewer Cleaning Gear	10,000	0	0	0	0	0
New Holland	0	0	0	0	86,720	0
JD Loader	0	86,667	0	0	0	0
VacCon	0	0	233,975	0	0	0
SCBA Cart	10,000	0	0	0	0	0
Confined Space Equipment	0	5,000	0	0	0	0
Total Utility Equipment Fleet Projects	\$20,000	\$91,667	\$273,991	\$0	\$123,727	\$0
Facilities Capital Projects						
305 AC Slurry Seal/Pave Repair	0	0	3,874	0	0	0
305 AC Repaving	0	0	0	0	81,019	0
305 Zone 0 landscaping		5,000	0	0	0	0
305 Exterior Wood Surfaces - Paint	0	0	6,456	0	0	0
305 Replace Carpet	0	0	0	29,345	0	0
305 Paint - Interior Walls	0	0	0	21,875	0	0
305 Locks	2,500	2,500	2,583	2,668	2,756	2,847
305 Replace Light Fixtures	2,500	2,500	2,583	2,668	2,756	0
305 HVAC	250,000	225,000	0	0	0	0
305 Roof Replacement	0	0	116,213	0	0	0
1810 AC Slurry Seal/Pave Patch	0	0	0	0	4,593	0
1810 AC Repaving	0	83,333	0	0	0	0
1810 Zone 0 Landscaping	0	0	3,557	0	0	0
1810 Sand Barn	26,667	0	0	0	0	0
1810 Furnace Replacement	0	0	0	16,006	0	0
Total Facilities Capital Projects	\$281,667	\$318,333	\$135,265	\$72,562	\$91,124	\$2,847
To Reserves	\$500,000	\$600,000	\$600,000	\$600,000	\$600,000	\$650,000
Total Capital Improvement Projects	\$1,394,753	\$2,345,538	\$1,633,985	\$1,154,747	\$1,569,419	\$1,074,292
Less: Funding Sources						
Capital Reserve (Restricted)	32,526	0	0	0	0	0
Reserve Fund	862,227	1,745,538	1,033,985	554,747	969,419	424,292
Total Funding Sources	\$894,753	\$1,745,538	\$1,033,985	\$554,747	\$969,419	\$424,292
Rate Funded Capital	\$500,000	\$600,000	\$600,000	\$600,000	\$600,000	\$650,000

*The District assumes 3.3% annual inflation on cost for capital projects. This is determined based on the 10-year average of ENR Construction Cost Index (CCI).

Fire Department (Governmental Fund) Budget FY2027 – 2031

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue						
Rate Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Non-Operating Revenues	5,411,526	5,509,197	5,513,534	5,342,273	5,468,457	5,593,287
Total Revenues	\$5,411,526	\$5,509,197	\$5,513,534	\$5,342,273	\$5,468,457	\$5,593,287
Expenses						
Total Fire Department Expenses	\$4,029,676	\$4,297,876	\$4,458,701	\$4,623,049	\$4,793,882	\$4,971,477
Total Administration Expenses	1,003,883	884,545	743,949	460,446	477,653	495,603
Total O&M Expenses	\$5,033,559	\$5,182,421	\$5,202,651	\$5,083,494	\$5,271,535	\$5,467,080
Net Annual Debt Service	\$0	\$0	\$0	\$0	\$0	\$148,536
Contributions to Capital	\$375,000	\$315,000	\$300,000	\$245,000	\$185,000	\$0
Transfer To / (From) Reserves	\$2,967	\$11,776	\$10,884	\$13,779	\$11,923	(\$22,330)
Total Revenue Requirement	\$5,411,526	\$5,509,197	\$5,513,534	\$5,342,273	\$5,468,457	\$5,593,287
Beginning Fund Balance	\$ 2,299,985	\$ 2,114,901	\$ 1,690,511	\$ 1,698,173	\$ 1,778,381	\$ 1,327,894
Plus: Additons	\$377,967	\$326,776	\$310,884	\$258,779	\$196,923	\$0
Less: Uses of Funds	(\$563,051)	(\$751,167)	(\$303,222)	(\$178,571)	(\$647,409)	(\$170,563)
Total Ending Fund Balance	\$2,114,901	\$1,690,511	\$1,698,173	\$1,778,381	\$1,327,894	\$1,157,331
<i>Minimum: 60 days of O&M</i>	<i>\$712,366</i>	<i>\$769,713</i>	<i>\$855,230</i>	<i>\$835,643</i>	<i>\$866,554</i>	<i>\$898,698</i>
<i>Minimum: 5 year rolling average of Capital</i>	<i>407,237</i>	<i>338,100</i>	<i>221,761</i>	<i>182,733</i>	<i>321,322</i>	<i>244,403</i>
Total Target	\$1,119,602	\$1,107,813	\$1,076,991	\$1,018,376	\$1,187,875	\$1,143,101

Reasons for Significant Changes in Fire Fund Balance

- FY2027 will see a 20% decline in fund balance due to a large capital project consisting of the HVAC replacement project as described above under Capital Program. Total reserve minimum balances are still being met.
- FY2030 will see a 25% decline in fund balance due to a large capital project consisting of the replacement of the Rescue Engine for approximately \$341,00 plus the replacement of the New Holland for \$87,000 (this is the Fire Department's portion only). Total reserve minimum balance is still being met.
- FY2031 will see a 13% decline in fund balance due to a large capital project consisting of the replacement of the Type 1 for approximately \$1.4M. This will need debt financing to secure funding. At this point, minimum reserves are still being met.

Fire Department (Governmental Fund) Capital Budget FY2027 – 2031

Capital Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Capital Improvement Projects (CIP)						
Type 1 Engine 4WD E21 - 18%						117,626
Total Capital Projects	\$0	\$0	\$0	\$0	\$0	\$117,626
Capital Replacement Projects (CRP)						
Turnout Gear Replacement	\$17,884	18,500	19,084	19,714	20,364	21,036
Thermal Imaging	0	0	0	15,432	0	0
ALS Monitor - cardiac monitors	0	140,000	0	0	0	0
AED's (10 years)	0	0	0	0	11,387	0
Honda Snowblower	0	0	0	4,409	0	0
Radios	8,500	8,500	9,070	9,370	9,679	9,998
Homatro Comi Extrication Tool		20,000				
Station Air Compressor	0	7,500	0	0	0	0
Total Capital Replacement Projects (CRP)	\$26,384	\$194,500	\$28,154	\$48,925	\$41,430	\$31,034
Fire Equipment Fleet Projects						
Type 1 Engine 4WD E21	0	0	0	0	0	1,411,506
Replace Rescue Engine	0	0	0	0	341,604	0
JD Loader	0	86,667	0	0	0	0
New Holland	0	0	0	0	86,720	0
Total Fire Equipment Fleet Projects	\$0	\$86,667	\$0	\$0	\$428,324	\$1,411,506
Facilities Capital Projects						
305 AC Slurry Seal/Pave Repair	0	0	7,748	0	0	0
305 AC Repaving	0	0	0	0	162,039	0
305 Zone 0 landscaping	0	10,000	0	0	0	0
305 Exterior Wood Surfaces - Paint	0	0	13,339	0	0	0
305 Replace Carpet	0	0	0	58,690	0	0
305 Paint - Interior Walls	0	0	0	43,751	0	0
305 Locks	5,000	5,000	5,165	5,336	5,512	5,694
305 Replace Light Fixtures	5,000	5,000	5,165	5,336	5,512	0
305 HVAC	500,000	450,000	0	0	0	0
305 Roof Replacement	0	0	240,095	0	0	0
1810 AC Slurry Seal/Pave Patch	0	0	0	0	4,593	0
1810 Zone 0 Landscaping	0	0	3,557	0	0	0
1810 Sand Barn	26,667	0	0	0	0	0
1810 Furnace Replacement	0	0	0	16,535	0	0
Total Facilities Capital Projects	\$536,667	\$470,000	\$275,068	\$129,646	\$177,655	\$5,694
To Reserves	\$375,000	\$315,000	\$300,000	\$245,000	\$185,000	\$0
Total Capital Improvement Projects	\$938,051	\$1,066,167	\$603,222	\$423,571	\$832,409	\$1,565,860
Less: Funding Sources						
Capital Reserve (Restricted)	0	0	0	0	0	117,626
Reserve Fund	563,051	751,167	303,222	178,571	647,409	148,234
New Loans	0	0	0	0	0	1,300,000
Total Funding Sources	\$563,051	\$751,167	\$303,222	\$178,571	\$647,409	\$1,565,860
Contributions to Capital	\$375,000	\$315,000	\$300,000	\$245,000	\$185,000	\$0

*The District assumes 3.3% annual inflation on cost for capital projects. This is determined based on the 10-year average of ENR Construction Cost Index (CCI).

Section IV: Statistical and Supplemental Information

DEMOGRAPHICS

The OVPSD serves the community of Olympic Valley in eastern Placer County, California. The District encompasses approximately 10 square miles (6,300 acres) within a high-altitude alpine environment near Lake Tahoe. The area is internationally recognized as the host of the 1960 Winter Olympics. Its geography presents unique challenges, such as heavy snowfall in the winter, and significant risk for wildland fires in the summer.

Population

Olympic Valley is a small, resort-based community with a limited permanent population and significant seasonal variation. The table below reflects a declining permanent population and a lower household size, reflecting second-home ownership and part-time occupancy. The lack of permanent population growth and higher-than-average home values indicate a heavy reliance on the workforce commuting from outside the region, such as Truckee, Tahoe City, and Reno.

Metric	Olympic Valley (96146)	Placer County
Population	1,029	438,439
Households	487	164,077
Average Household Size	2.10	2.64
Population Change (2020–2026)	-4.1%	+8.3%
Housing Units	2,259	184,710
Owner-Occupied Housing Units Average Value	\$1,551,879	\$784,904

*Data sourced from Be Well Placer Community Dashboard

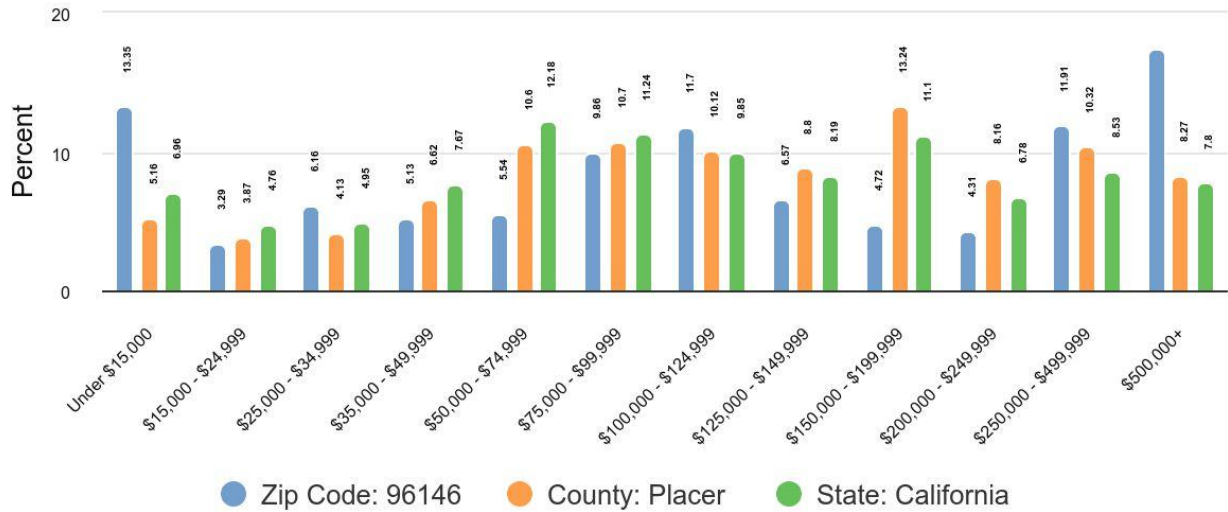
Household Income and Age

Olympic Valley has a high concentration of very high-income and low-income households . This indicates a bifurcated economy with a lot of wealth and a large service workforce or a large retirement-age population. The age demographics seem to indicate the latter, as 55% of the population is 45 years or older.

Metric	Olympic Valley (96146)	Placer County	California
Median Household Income	\$114,254	\$122,021	\$105,694
Average Household Income	\$197,277	\$168,272	\$153,961

Households by Income

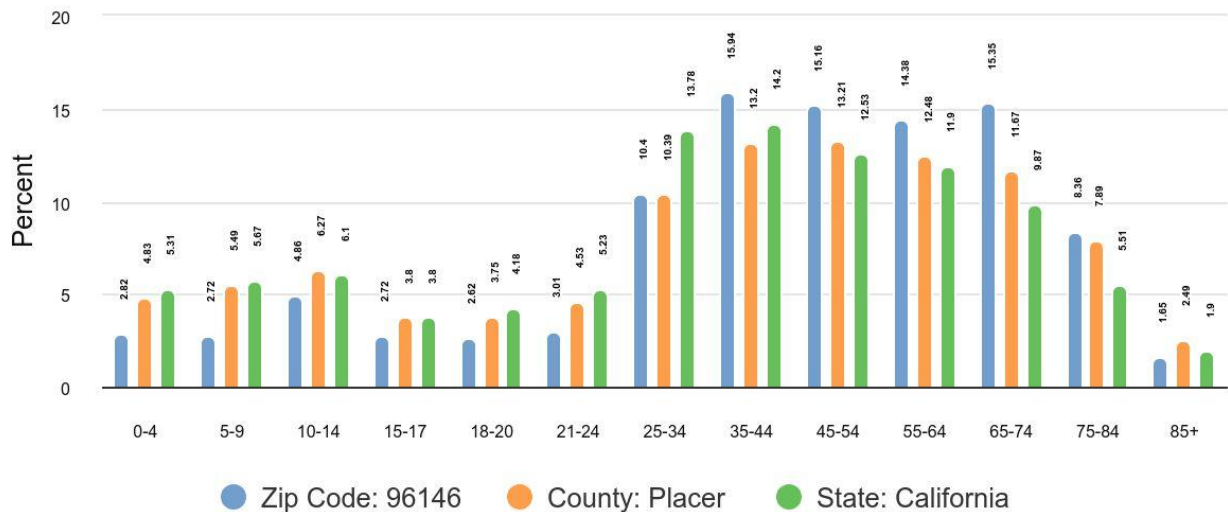
Zip Code: 96146



Claritas, 2026. www.placerdashboard.org

Population by Age Group

Zip Code: 96146



Claritas, 2026. www.placerdashboard.org

Major Industries and Taxpayers

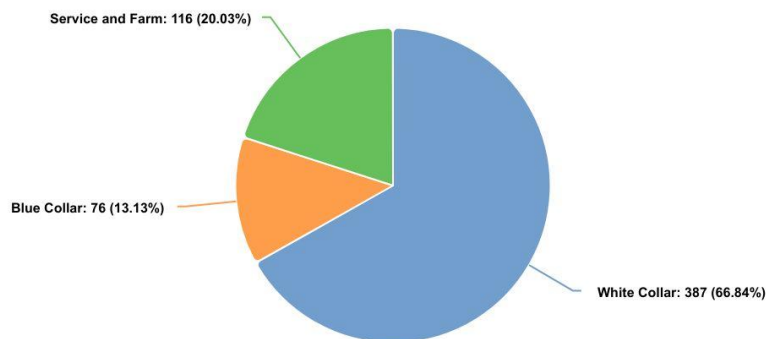
As previously mentioned, Olympic Valley is highly concentrated in tourism, hospitality, and recreation. The largest commercial customers consist of the Village at Palisades Tahoe, Everline Resort & Spa, and several HOA condo associations. The following are the top assessed values in the District. Each property is taxed at 1% of the assessed value annually, with the District receiving a portion of that payment from the County. While these are the highest taxpayers, this does not mean they are the highest utility rate payers.

Rank	Owner	Use Type	Assessed Value
1	Alterra Mtn Co	Various	\$22,985,224
2	Sierra Family Meadows LP	Residential multi-family	\$12,204,421
3	JL Property LLC	Residential single-family	\$10,419,831
4	Everline Associates LLC	Recreational	\$8,500,000
5	Bad Medicine Tahoe LLC	Residential single-family	\$6,970,680

Employment

Employment demographics for Olympic Valley show high employment rates for white-collar workers and lower rates for service workers. This is to be expected with the high cost of living and limited local workforce housing.

Employed Civilian 16+ by Occupation Group
Zip Code: 96146



Claritas, 2026. www.placerdashboard.org

Employed Civilian 16+ by Occupation Group	Zip Code: 96146		County: Placer		State: California	
	Persons	% of Employed Civilian 16+ Population	Persons	% of Employed Civilian 16+ Population	Persons	% of Employed Civilian 16+ Population
White Collar	387	66.84%	147,566	70.23%	11,826,518	61.98%
Blue Collar	76	13.13%	27,955	13.30%	3,646,791	19.11%
Service and Farm	116	20.03%	34,612	16.47%	3,608,324	18.91%

GLOSSARY

Accrual Basis of Accounting - A method of accounting in which revenues are recorded when earned and expenses are recorded when incurred, regardless of when cash is received or paid.

Ad Valorem Tax - A tax based on the value of property, such as property tax.

Amortization - The process of gradually spreading out the cost of an asset or the repayment of a loan over a period of time.

Appropriation - Authorization granted by the governing body to spend public funds for a specific purpose.

Assessed Value (AV) - The value assigned to property for the purpose of calculating property taxes.

Balanced Budget - A budget in which estimated revenues equal or exceed estimated expenditures.

Capital Expenditure - An expenditure of \$10,000 or more that is used to purchase or improve an asset with a useful life of one year or more.

Capital Improvement Plan (CIP) - A multi-year plan that identifies and schedules major capital projects such as infrastructure improvements or equipment replacement.

Capital Outlay - Funds used to acquire or improve long-term assets such as buildings, vehicles, or equipment.

Connection Fee - A system development fee or capacity charge that is a one-time fee paid at the time of connection to the system. The fee recovers a proportional share of capital costs incurred to provide service for new customers.

Depreciation - A reduction in the value of an asset with the passage of time due to wear and tear. Annual depreciation is often considered a measure of annual operating expense.

Enterprise Fund - A fund used to account for operations that are financed and operated similarly to a private business, where costs are recovered through user fees.

Expenditures - The amount of money spent by the District for operations, services, and capital projects.

Fiscal Year (FY) - A 12-month period used for budgeting and financial reporting. The District's fiscal year runs from July to June.

Fund - A separate set of accounts used to track specific revenues and expenditures for a particular purpose.

Fund Balance - The difference between a fund's assets and liabilities; essentially the available financial resources at a given time.

GAAP – Generally Accepted Accounting Principles. These are a standardized set of rules and procedures used in the United States to prepare and report financial statements. Designed for consistency and accuracy, they are established by the Financial Accounting Standards Board (FASB) for companies and the Governmental Accounting Standards Board (GASB) for state/local governments, ensuring transparent and comparable financial reporting.

GASB 68 – A standard issued by the Governmental Accounting Standards Board that requires governments to report their share of pension liabilities (amounts owed for employee retirement benefits) on their financial statements. This helps provide a clearer picture of long-term financial obligations.

GASB 75 – A standard issued by the Governmental Accounting Standards Board that requires governments to report their share of other post-employment benefit liabilities (amounts owed for employee retirement benefits other than pension) on their financial statements. This helps provide a clearer picture of long-term financial obligations.

General Fund - The primary operating fund used to account for all financial resources not required to be accounted for in another fund.

Operating Budget - The portion of the budget that covers day-to-day expenses such as salaries, utilities, and supplies.

Operating Expense - The cost of running day-to-day operations of the District, such as salaries, utilities, supplies, maintenance, and services. These expenses do not include major capital purchases like buildings or large equipment.

Other Post-Employment Benefits (OPEB) - Benefits provided to employees after they retire, other than pensions. These often include healthcare, dental, or life insurance benefits.

OVPSD – Olympic Valley Public Service District

Proprietary Fund - A proprietary fund is used to account for activities that involve business-like interactions. The proprietary fund is a type of enterprise fund.

Proposition 218 - A California law that requires local governments to follow specific procedures when increasing or imposing certain taxes, assessments, and fees. It gives property owners the right to be notified of proposed increases and to protest them.

Revenues - Income received by the District from sources such as taxes, fees, and grants.

User Fees – The rate charged for water, sewer, and garbage fees. These are based on revenue requirements and set through Prop 218 regulations.