KINGSBURY GID

FY 2024/25

Final Budget

&

Supporting Documents

May 21, 2024

MISSION STATEMENT

Our skilled employees, management staff, and Board of Trustees, working as a team, are committed to provide water and sewer service, and maintain roads and drainage systems in an efficient, courteous, and accountable manner, for the long-term benefit of our customers, in accordance with standards set for public health, safety and the environment.

Kingsbury GID
Statistics at a Glance

Established September 8th 1964

Governed by 5 Elected Community Members as the Board of Trustees

Services provided: Water, Sewage collection, Road maintenance, Snow Removal, Erosion control and Drainage

15 positions

38 miles of water line

27 miles of sewer line

22 miles of roadway

286 fire hydrants

693 manholes

33 pressure zones (water)

8 water reservoirs (5.8 million gallons)

3157 water service connections

1824 wastewater service connections

1 Surface water treatment plant

700 foot underwater intake line

4 Sewage lift-stations

6 Water pump stations

1,751.22 acre feet/year water right

Water production capacity of 6.5 million gallons per day

86 million gallons of sewer flow annually

Typical residential monthly water bill $190.00

Typical residential monthly sewer bill $ 60.40

Typical residential snow removal bill $ 22.50

Property tax assessment $ 0.5848/$1,000 ($335,854,509.00 total assessed value)

$12,836,831 annual revenues ($2.5 M grant fy24/25)

Budget Message

Fiscal year 2024/2025 budget was prepared with a pragmatic outlook building upon the success while focusing on capturing efficiencies within the institutional ethos. An organizational fermata, an indeterminant pause to gain footing. We have new systems, new facilities, and gaps in key positions; we continue to manage costs to a degree of addressing the impacts of inflation and uncertainty as we seek improvements in service delivery while gaining management and information tools.

For this budget we projected:

Revenues will increase slightly due to property tax and rate increases in place for the snow removal fund. Water use will increase incrementally higher – more units online, stable economic outlook for first half of FY 25 and the snowpack melting a little earlier than last year. Water and sewer rate increases are not assumed (the district should also update the fee schedule as we engage rates). However, the influence of $2.5 million on a project grant makes revenue appear large.

Expenses will have moderation as inflation has slowed over the previous 3 years; wages will increase by 5%; services purchased by the district have some increases; fuel and energy should remain flat during the first half of the year. The sewer maintenance contract expires in October with the renewal to be negotiated (likely reflecting several years without an adjustment). The district expenses paid to the sewer authority continue to be higher. Snow removal expenses are expected to be consistent with ten-year leveling model used in the rate setting yet have to be budgeted more conservatively.

As presented, the budget reflects each of the funds' balances decrease from the anticipated FY24 year end. Putting the funds to work has been achieved. Adjusted for specific reserves, debt coverage and unfunded liabilities, the district is in the unenviable position requiring rate increases for multiple funds. The district has not experienced regulatory concerns amounting to any notable level, but treatment plant upgrades are forecasted. Insurance costs continue to increase, fortunately we have experienced no injuries or worker compensation issues for the past three years.

People are the core of this institution; the district continues to struggle with filling the gaps in our ranks. Competition with other agencies, cost-of-living and the general dearth of qualified applicants are obstacles to finding and retaining desirable people. Yet to that end, a couple recent hires demonstrated themselves to be of the right stuff and folded into the team well while others were also high caliper and able to have a quick tenure at the district taking a small piece forward assuming duties which better fulfill their career goals. The district pursued new tools such as temporary labor and small vendor services in order to complete the mission.

Operational/compliance projects such as the Lead/Copper Service Line (NDEP) inventory and System Resiliency Certification (US EPA), and CyberSecurity Compliance (USEPA) are major elements in the work plan. Capital projects and general support of the community redevelopment projects such as Barton Hospital, completion of Tahoe Beach

Club and Tahoe/Peak Condominium Complex takes full engagement of our engineering capacity. Grants for projects such as the SCADA replacement, pump station/reservoir renovations, and landfill recovery are on the horizon. We have been informed that the bandwidth of the consulting firms is also stretched.

The district has pressed the vehicle and equipment replacement cycles in order to establish the replacement reserve fund. Operational expenses are rising but not for the equipment most likely to be replaced. The traditional valuation equation of repairs verse replacement is not applicable to short-term decisions, until the replacement reserve matures.

Customer expectations for drainage improvements, retaining walls and better tailored snow service have become detractors. As the district regroups around the core missions this year during the next year, the future vision may become driven towards these elements stretching revenues to new points. Service delivery suited for the changing demographics of the district are likely to provide challenges in funding. The district has embraced training and development of our workforce and improved the partnering opportunity with our vendors and neighboring agencies.

Enterprise fund rate increases are needed. The Sewer fund poses a unique concern with completion of the masterplan, renewal maintenance service contract, higher than industry flows and increasing expenditures to the treatment agency. The Water fund requires a moderate increase addressing inflation and capital needs.

An election year and the legislative year commencing in the spring, active engagement, both independently and in the cohort of the League of Cities and Municipalities is anticipated. Articulated positions for Northern Nevada will have unique weight for the current Administration. Kingsbury is positioned as a leader for the GID's within the State and in the recent past led the League. The annual conference for the League this year is at Stateline, making Kingsbury the de facto host, providing a unique opportunity to bring attention to the agency; our challenges and achievements.

September of this year marks the 60th year of our district's service to the community. Taking stock of the accomplishments and preparing for the next 60 is like a crescendo followed by the caesura. With the majority turnover in the membership of the board of trustees anticipated at mid-year, capturing current plans and vamping them for the future will be a weighty task to provide continuity and preserve the momentum. Protecting the health of our customers, being stewards of the public trust, maintaining the assets entrusted to us places the district at the core of the Kingsbury community.

Respectfully Submitted,

Mitchell S. Dion
General Manager

Table of Contents

Customers → **BOARD OF TRUSTEES**

Mitch Dion
GENERAL MANAGER

JUDY BREWER
ADMINISTRATIVE AND HUMAN RESOURCE SUPERV.

- CARRIE BAUWENS
  Utility Billing Coordinator
- LEIGH STANTON
  Administrative Clerk/Secretary

VACANT
ADMINISTRATIVE AND FINANCE ANALYST

- BRANDY JOHNS
  Accountant II

VACANT
ENGINEERING TECH

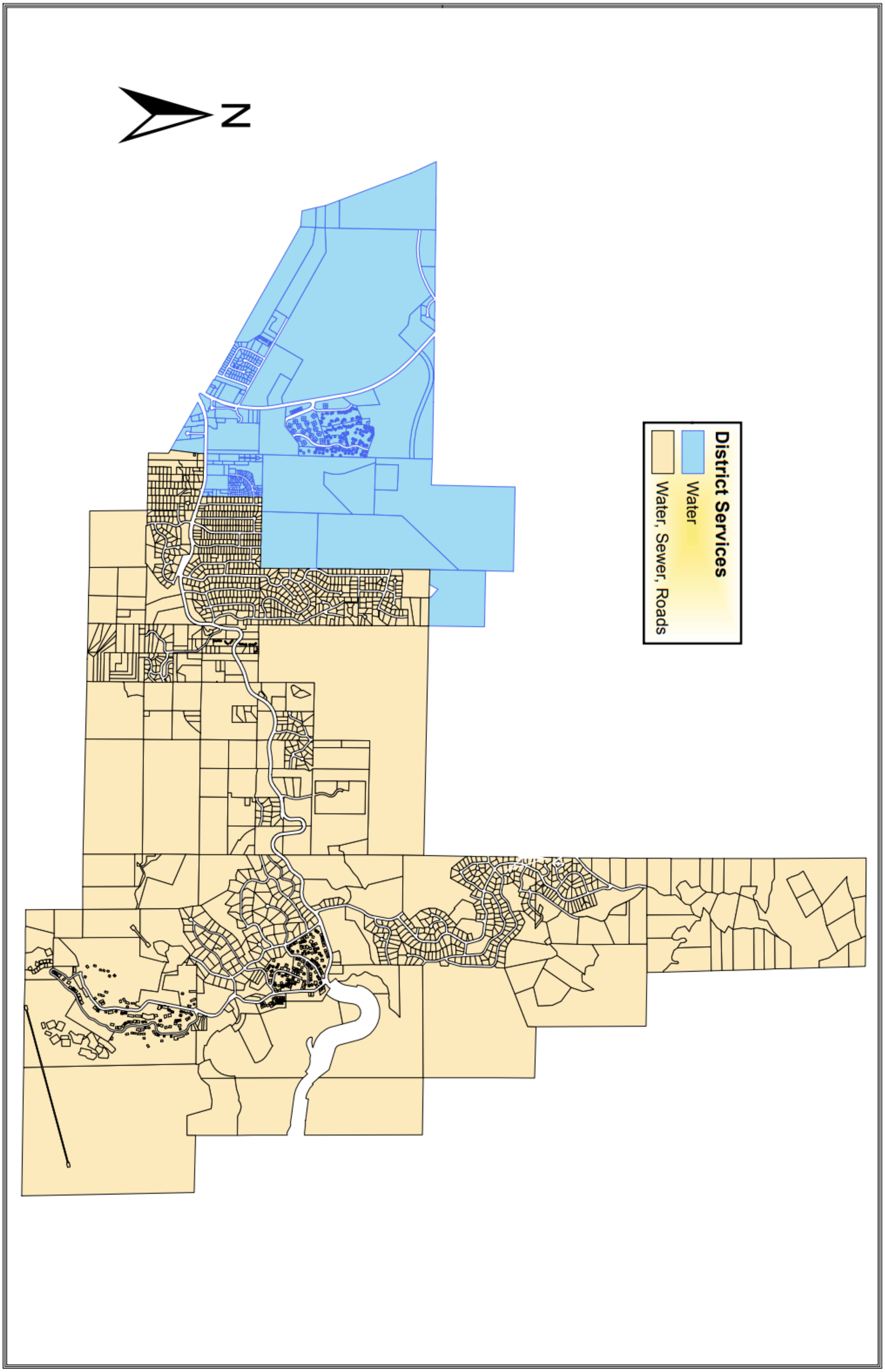
VACANT
UTILITY OPERATIONS SUPERINTENDENT

- JOE ESENARRO
  Lead Water Operator
- SHANE MORTENSEN
  Water Operator III
- BYRAN MOSS
  Water Operator II
- MIKE EDWARDS
  Water Operator III
- Vacant
  Water Operator II
- Jeff Wood
  Maintenance Technician I/II
- Vacant
  Maintenance Technician II

15 FTE
FY 2024 Requested Authorized Positions

Outsourced

Snow Removal
Sewer Maintenance Services
Engineering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District Services
Water
Water, Sewer, Roads