



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



BUDGET PREPARATION SCHEDULE

DATE: February 23rd, 2021

TO: District Board Members

FROM: Danielle Grindle, Finance & Administration Manager

SUBJECT: Fiscal Year 2021-2022 Budget Preparation Schedule

BACKGROUND: Every February, staff provides the Board and public schedule milestones for the preparation of the budget for the next fiscal year starting on July 1.

During the budget preparation process, the Board's attention is drawn to estimated changes in property tax, changes in rate revenue, proposed utility rate increases, debt reduction or proposed new debt, two operating budgets, capital budgets, contributions to Fixed Asset Replacement Funds (FARFs) and pension expenses, especially the District's Unfunded Accrued Liability (UAL) with CalPERS.

DISCUSSION: Below is a list of milestone dates by which staff anticipates the following events to occur.

February 22 nd , 2021	Finance Committee review staff recommendation of proposed budget schedule.
February 23 rd , 2021	Finance Committee to make recommendation at Board Meeting regarding budget schedule.
March 10 th , 2021	Staff submits draft department budgets to Finance & Administration Manager.
March 29 th , 2021	Finance Committee review 1 st draft of 2021-2022 Budget and Rates. Make initial recommendations.
March 30 th , 2021	Finance Committee to review Budget and Rates at Board Meeting. Make recommendations.
April 26 th , 2021	Finance Committee review 2 nd draft of 2021-2022 Budget in detail. Make recommendations.
April 27 th , 2021	Finance Committee to review Budget and Rates at Board Meeting. Make recommendations.

Board Meeting and Introduction to Ordinance:

- May 17th, 2021 Provide Board with proposed 2021-2022 Budget & Charges Ordinance in meeting packet.
- May 24th, 2021 Finance Committee review staff's recommendation and proposed 2021-2022 Budget & Charges Ordinance.
- May 25th, 2021 Finance Committee to make recommendation at Board Meeting of proposed 2021-2022 Budget.

Board Meeting and Public Hearing:

- June 21st, 2021 Provide Board with proposed 2021-2022 Budget & Charges Ordinance in meeting packet.
- June 28th, 2021 Finance Committee review staff's recommendation on proposed 2021-2022 Budget & Charges Ordinance.
- June 29th, 2021 Consider adoption of 2021-2022 Budget & Charges Ordinance based on presentation, discussion, and Finance Committee recommendation.

- ALTERNATIVES:** 1. Accept Budget Preparation Schedule provided.
2. Adjust the Budget Preparation Schedule.

FISCAL/RESOURCE IMPACTS: The District's budget is the core document that identifies anticipated "*fiscal and resource impacts*". It serves as a short-term and long-term map for how the District will carry out its financial plan. It allows us to properly plan for the future and consider problems before they arise. The District currently operates on approximately \$3.7 million in rate revenue and \$3.7 million in tax revenue annually. We must use these funds to cover our operations, pay down debts, pay for capital projects, and save for the future. In order to do that the budget must detail estimates of costs, revenues, capital projects, and reserve funds. It's the goal of the District to always be fully funded and avoid significant rate increases or debt financing. Having a sound budget that we will be preparing over the next few months will allow us to achieve that goal.

RECOMMENDATION: Staff recommends that the Board accept the Budget Preparation Schedule provided.

ATTACHMENTS: None.

DATE PREPARED: February 16th, 2021