

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

2019/2020 BUDGET

Adopted June 11, 2019

Board of Directors: **T.C. Dennis, President**

Larry E. Kuehner, Vice President

Dee G. Fairbanks

John J. Kiely

Bill Sharman

General Manager: **Scott McCutcheon**

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

2019/2020 BUDGET EXHIBITS

EXHIBIT A: 2019/2020 FISCAL YEAR REPORT AND BUDGET

EXHIBIT B: 2019/2020 CAPITAL EXPENDITURES

EXHIBIT C: 2019/2020 DISTRICT REVENUE

EXHIBIT D: 2019/2020 WAGES WORKSHEET

EXHIBIT E: 2019/2020 TOTAL WAGES AND BENEFITS

EXHIBIT F: 2019/2020 EMPLOYEE COMPENSATION SCHEDULE

EXHIBIT G: 2019/2020 MANAGER COMPENSATION SCHEDULE

2019/2020 BUDGET REPORT

Lake Oroville Area Public Utility District's 2019/2020 Fiscal Year Budget includes the following service charges and fees. District fees have changed beginning this fiscal year. All stated changes have been incorporated into the budget computations.

Primary Sewer Service Charge

Primary Sewer Service Charge changes to a monthly fee of \$19.31

Step System Sewer Service Charge

Step System Sewer Service Charge changes to a monthly fee of \$24.16

RD Debt Service

RD Debt Service remains unchanged for a monthly fee of \$4.90

Pumping Charge

Pumping Charge remains changes to a monthly fee of \$5.85

Kelly Ridge Pumping Charge

Kelly Ridge Pumping Charge changes to a monthly fee of \$3.37

SC-OR Service Charge

SC-OR Service Charge changes to a monthly fee of \$13.85

Connection Fee

Connection Fee remains unchanged at \$200.00 for owner installed connections. District installed connections will be charged at the actual costs incurred by the District.

Capacity Charge

Capacity Charge remains unchanged at a one-time total charge of \$4,777.00.

SC-OR Regional Facility Charge

Regional Facility Charge remains unchanged at a one-time total charge of \$6,638.00

2019/2020 BUDGET REPORT

Operating Revenue

Operating Revenue includes sewer service charges, pumping charges, permit and inspection fees, connection fees, and sales. Sewer service charges and pumping charges will be the only accounts that show forecasted revenue in the budget.

Office Salaries and Wages

Budget account includes salaries and wages for office staff and the District Board of Directors.

Field Salaries and Wages

Budget account includes salaries and wages for field staff while performing normal operations and maintenance duties. Duties include routine operations and maintenance, standby wages, regularly scheduled on call overtime, and unscheduled call out overtime.

Office Employee Benefits

Budget account includes health/welfare insurance, retirement contributions, workers compensation insurance, and payroll taxes for District office staff and the District Board of Directors.

Field Employee Benefits

Budget account includes health/welfare insurance, retirement contributions, workers compensation insurance, and boot & uniform allowances for District field staff.

Professional Services

Budget account includes costs for engineering, legal, accounting, liability insurance, and software maintenance and support.

Utilities

Budget account includes costs for wet and dry utility services for the office, shop, maintenance yard, pump stations, and Villa Verona step systems.

Services and Supplies

Budget account includes costs for office supplies, office equipment, building maintenance and repairs, small tools and consumables, safety supplies, and other services and supplies.

2019/2020 BUDGET REPORT

Training/Memberships/Fees

Budget account includes costs for education/training, memberships/subscriptions, rent/leases/license, travel and entertainment, elections, bank/payment collection fees, safety training, environmental, permits, and LAFCo operating fees.

Repairs and Maintenance

Budget account includes costs for materials and equipment for routine repairs and maintenance on piping, manholes, pump stations, and Villa Verona step system.

Fuel, Oil, Grease, & Auto

Budget account includes costs for diesel fuel, gasoline, oil & grease, mobile equipment repair, and auto repairs.

Net Operating Revenue/Expense

This is the summation of Operating Revenues less Operating Expenses.

Non-Operating Revenue

Non-Operating Revenue includes capacity charges, sewer service late fees, interest from investment accounts, USDA RD debt service fee, other income, current secured taxes, current unsecured taxes, prior secured, prior unsecured taxes, and other taxes. Revenue for interest, USDA RD debt service, current secured taxes, current unsecured taxes, and other taxes will be the only accounts that show forecasted revenue in the budget.

Non-Operating Expense

Budget account includes the interest expense for the USDA RD loan.

Net Non-Operating Revenue/Expense

This is the summation of Non-Operating Revenues less Non-Operating Expenses.

Net Income

This is the summation of Operating Revenue plus Non-Operating Revenue less Operating and Non-Operating Expenses.

2019/2020 BUDGET REPORT

Capitalized Expenditure

Budget account capitalized expenditures includes the debt service of a new camera van, District Sanitary Sewer Master Plan update, capital project, and replacement of the SCADA server hardware and software (rollover from 2018/2019).

Debt Service Principal Payments

Budget account includes the principal payments for the USDA RD loan.

Budgeted Net Cash Flow

This is the budgeted cash realized from the overall operations and maintenance budget. This value is computed by deducting Capitalized Expenditures and Debt Service Principal Payments from Net Income.

Depreciation

This non-cash account includes the current depreciation expenses for the District's assets.

Change in Net Position

This value is computed by deducting depreciation expenses from net cash flow in order to see changes in the District's net assets before the end of current fiscal year.

**Lake Oroville Area Public Utility District Budget
Fiscal Year 2019/2020**

EXHIBIT A

	2019-20 Totals	2018-19 Totals	% Change
Operating Revenue			
Sewer Service	1,445,969	1,238,805	16.72%
Pumping Charge	125,547	85,137	47.46%
Kelly Ridge Pumping Charge (Taxes)	45,000	45,000	0.00%
Total Operating Revenue	1,616,515	1,368,942	18.09%
Operating Expenses			
Office Salaries & Wages	274,717	277,232	-0.91%
Field Salaries & Wages	335,488	334,408	0.32%
Office Emp Benefits	211,707	212,449	-0.35%
Field Emp Benefits	215,572	195,915	10.03%
Professional Services	153,500	134,050	14.51%
Utilities	91,740	84,708	8.30%
Services and Supplies	103,920	93,859	10.72%
Training/Memberships/Fees	63,311	67,085	-5.63%
Operations and Maintenance	109,390	77,555	41.05%
Fuel, Oil, Grease, & Auto	58,432	69,350	-15.74%
Total Operating Expense	1,617,778	1,546,611	4.60%
Net Operating Revenue/Expense	(1,263)	(177,670)	-99.29%
Non-Operating Revenue			
Interest	19,386	9,504	103.98%
RD Debt Service	361,796	360,797	0.28%
Current Sec Tax	230,000	230,000	0.00%
Current Unsec Tax	12,000	12,000	0.00%
Other Taxes	3,600	3,600	0.00%
Total Non-Operating Revenue	626,783	615,901	1.77%
Non-Operating Expenses			
Loan Interest	106,611	108,991	-2.18%
Total Non-Operating Expenses	106,611	108,991	-2.18%
Net Non-Operating Revenue/Expense	520,172	506,910	2.62%
Net Income	518,908	329,240	57.61%
Balance Sheet Cash Reconciling Items			
Capitalized Expenditure	210,700	87,000	142.18%
Loan Principal	57,000	55,000	3.64%
Debt Service Principal Payments	57,000	55,000	3.64%
Budgeted Net Cash Flow	251,208	187,240	34.16%
Depreciation - Non Cash	550,656	500,436	10.04%
Change in Net Position	(299,448)	(313,196)	-4.39%

BUDGET 2019/2020
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT CAPITAL
EXPENDITURES

EXHIBIT B

CAPITIALIZED EXPENDITURES	2019/2020 Totals
<u>OFFICE</u>	
	\$ -
	\$ -
	\$ -
Total Office Capital Expenditures	\$ -
<u>FIELD</u>	
Camera Van	\$ 65,700
Master Plan Update	\$ 65,000
Ophir School Pipe Burst	\$ 80,000
SCADA Upgrade	\$ 60,000
	\$ -
Total Field Capital Expenditures	\$ 270,700
Total Capitalized Expenditures	\$ 270,700

BUDGET 2019/2020 **EXHIBIT C**
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT REVENUE

OPERATING REVENUE	QTY	Rate	2019-20 Totals	2018-19 Totals	% Change
Primary System Sewer Service	5806	\$19.31	\$ 1,345,366	\$ 1,149,695	17.02%
Step System Sewer Service	347	\$24.16	\$ 100,602	\$ 89,110	12.90%
Pumping Charge	1081	\$5.85	\$ 75,886	\$ 56,324	34.73%
Kelly Ridge Pumping Charge	1228	\$3.37	\$ 49,660	\$ 28,813	72.35%
Kelly Ridge Pumping Charge (Taxes)	1515	\$29.70	\$ 45,000	\$ 45,000	0.00%
Total Operating Revenue			\$ 1,616,515	\$ 1,368,942	18.09%

NON-OPERATING REVENUE	QTY	Rate	2019-20 Totals	2018-19 Totals	% Change
RD Debt Service	6153	\$4.90	\$ 361,796	\$ 360,797	0.28%
Interest Income	1	LS	\$ 19,386	\$ 9,504	103.98%
Current Secured Taxes	1	LS	\$ 230,000	\$ 230,000	0.00%
Current Unsecured Taxes	1	LS	\$ 12,000	\$ 12,000	0.00%
Prior Unsecured Taxes	1	LS	\$ -	\$ -	
Other Taxes	1	LS	\$ 3,600	\$ 3,600	0.00%
Total Non-Operating Revenue			\$ 626,783	\$ 615,901	1.77%

Total Revenue			\$ 2,243,298	\$ 1,984,843	13.02%
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PASS THROUGH LIABILITIES	QTY	Rate	2019-20 Totals	2018-19 Totals	% Change
SC-OR Service Charge	6153	\$13.85	\$ 1,022,629	\$ 872,539	17.20%
Villa Verona Assesment	1	LS	\$ 19,204	\$ 19,204	0.00%
Total Operating Liabilities			\$ 1,041,833	\$ 891,743	16.83%

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT WAGES

Employee		2019-20 Totals	2018-19 Totals	% Change	
7/1/2019	Manager SM	Reg Hrs	2,096	2,080	0.77%
\$44.64		Salary	\$ 93,563	\$ 111,496	-16.08%
		Sui Wages	\$ 7,000	\$ 7,000	
		Vehicle Allowance	\$ 10,082	\$ -	
7/1/2019	Bookkeeper/Clerk of the Board CQ	Reg Hrs	2,096	2,080	0.77%
\$32.95		Salary	\$ 68,536	\$ 66,456	3.13%
		Sui Wages	\$ 7,000	\$ 7,000	
7/1/2019	Office Clerk DK	Reg Hrs	2,096	2,080	0.77%
\$29.45		Salary	\$ 61,256	\$ 59,176	3.51%
		Sui Wages	\$ 7,000	\$ 7,000	
7/1/2019	Admin. Aide-Part Time AR	Reg Hrs	1,048	1,040	0.77%
\$13.63		Salary	\$ 14,281	\$ 13,104	8.98%
		Sui Wages	\$ 7,000	\$ 7,000	
7/1/2019	Board	Reg Hrs	2,096	2,080	0.77%
\$400.00		Salary	\$ 24,000	\$ 24,000	0.00%
		Sui Wages	\$ 24,000	\$ 24,000	
Total Office Wages		\$ 271,717	\$ 274,232	-0.92%	
Office W/C Wages		\$ 271,717	\$ 274,232	-0.92%	
7/1/2019	Utility Worker II RB	Reg Hrs	2,096	2,080	0.77%
\$22.74		Hourly Rate			
		Regular Wages	\$ 47,668	\$ 43,742	8.97%
		Standby	\$ 1,625	\$ 1,625	0.00%
		OT Hours	\$ 116	\$ 112	3.57%
		OT Rate			
		Overtime Wages	\$ 3,957	\$ 3,533	12.00%
		Total Wages	\$ 53,250	\$ 48,900	8.90%
		Sui Wages	\$ 7,000	\$ 7,000	
		Workers Comp Wages	\$ 52,063	\$ 47,841	8.83%
7/1/2019	Foreman/ FOT TC	Reg Hrs	2,096	2,080	0.77%
\$32.19		Hourly Rate			
		Regular Wages	\$ 67,470	\$ 64,875	4.00%
		Standby	\$ 1,675	\$ 1,625	3.08%
		OT Hours	\$ 96	\$ 124	-22.58%
		OT Rate			
		Overtime Wages	\$ 4,635	\$ 5,801	-20.10%
		Total Wages	\$ 73,781	\$ 72,302	2.05%
		Sui Wages	\$ 7,000	\$ 7,000	
		Workers Comp Wages	\$ 72,390	\$ 70,561	2.59%

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT WAGES

Employee		2019-20 Totals	2018-19 Totals	% Change	
7/1/2019 \$23.88	Utility Worker II LT	Reg Hrs	2,096	2,080	0.77%
		Hourly Rate			
		Regular Wages	\$ 50,043	\$ 45,926	8.96%
		Standby	\$ 1,600	\$ 1,625	-1.54%
		OT Hours	\$ 124	\$ 112	10.71%
		OT Rate			
		Overtime Wages	\$ 4,441	\$ 3,709	19.72%
		Total Wages	\$ 56,084	\$ 51,261	9.41%
		Workers Comp Wages	\$ 7,000	\$ 7,000	9.18%
7/1/2019 \$23.60	Operator KM	Reg Hrs	2,096	2,080	0.77%
		Hourly Rate			
		Regular Wages	\$ 49,460	\$ 60,320	-18.00%
		Standby	\$ 1,600	\$ 1,625	-1.54%
		OT Hours	\$ 116	\$ 112	3.57%
		OT Rate			
		Overtime Wages	\$ 4,106	\$ 4,872	-15.72%
		Total Wages	\$ 55,166	\$ 66,817	-17.44%
		Workers Comp Wages	\$ 7,000	\$ 7,000	-17.48%
7/1/2019 \$41.60	Field Operations Supervisor DS	Reg Hrs	2,096	2,080	0.77%
		Salary	\$ 86,528	\$ 84,448	2.46%
		Sui Wages	\$ 7,000	\$ 7,000	
Total Field Wages		\$ 324,808	\$ 323,728	0.33%	
Total Field W/C Wages		\$ 319,667	\$ 318,353	0.41%	

Total Wages		\$ 596,526	\$ 597,960	-0.24%
Total W/C Wages		\$ 591,384	\$ 592,585	-0.20%
Total Standby Wages		\$ 6,500	\$ 6,500	0.00%
Total OT Wages		\$ 17,139	\$ 17,916	-4.33%
Total Annual SUI Wages		\$ 87,000	\$ 87,000	0.00%

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
SCHEDULE OF ANNUAL WAGES WITH BENEFITS, TAXES, INSURANCE**

COMPENSATION	2019-20 Totals	2018-19 Totals	% Change
Hours per month	2096	2080	0
Office Wages	\$ 247,717	\$ 250,232	-1.01%
Director Wages	\$ 24,000	\$ 24,000	0.00%
Field Regular Wages	\$ 301,169	\$ 299,312	0.62%
Field Standby Wages	\$ 6,500	\$ 6,500	0.00%
Field Overtime	\$ 17,139	\$ 17,916	-4.33%
TOTAL WAGES	\$ 596,526	\$ 597,960	-0.24%

BENEFITS

OFFICE OPERATIONS			
Office Benefits	\$ 145,198	\$ 144,567	0.44%
Director Benefits	\$ 11,600	\$ 11,600	0.00%
Payroll Tax & Insurance	\$ 27,319	\$ 27,945	-2.24%
OFFICE OPERATIONS SUBTOTAL	\$ 184,116	\$ 184,112	0.00%
FIELD OPERATIONS			
Field Benefits	\$ 191,687	\$ 172,320	11.24%
Payroll Tax & Insurance	\$ 51,216	\$ 50,832	0.75%
FIELD OPERATIONS SUBTOTAL	\$ 242,903	\$ 223,153	8.85%

Total Benefits & Payroll Tax/Insurance	\$ 427,020	\$ 407,265	4.85%
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Total Wages, Benefit, & Tax/Insurance	\$ 1,023,545	\$ 1,005,224	1.82%
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TITLE: EMPLOYEE COMPENSATION SCHEDULE

NUMBER: 2151

ADOPTED: February 8, 1984

AMENDED: June 11, 2019

EFFECTIVE: July 1, 2019

Range No.	Position Title	Step A	Step B	Step C	Step D	Step E	Step F
1	Administrative Aide - Part Time & Temporary	11.00	12.36	12.98	13.63	14.31	15.03
2	Administrative Aide - Reg.	16.65	17.49	18.37	19.27	20.24	21.24
3	Utility Worker - Part Time & Temporary	12.36	12.98	13.63	14.31	15.03	15.78
4	Utility Worker I	18.74	19.65	20.64	21.66	22.74	23.88
5	Utility Worker II	19.65	20.64	21.66	22.74	23.88	25.08
5	Acct Receivable Clerk - Reg Operator - Part Time	20.60	21.63	22.73	23.86	25.05	26.30
6	Office Clerk	22.06	23.18	24.34	25.55	26.82	29.45
7	Operator - Regular Computer Support Specialist/ Administrative Assistant	22.46	23.60	24.78	26.04	27.34	29.87
8	Foreman-F.O.T.	24.19	25.41	26.69	28.01	29.41	32.19
9	Bookkeeper/Clerk of the Board	24.77	26.03	27.33	28.72	30.14	32.95
10	Field Operations Supervisor	31.49	33.06	34.72	36.45	38.27	41.60

TITLE: GENERAL MANAGER COMPENSATION SCHEDULE		NUMBER: 2152					
ADOPTED: July 10, 2012		AMENDED: June 11, 2019					
		EFFECTIVE: July 1, 2019					
Range No.	Position Title	Step A DOH	Step B July 1, 2019	Step C July 1, 2020	Step D July 1, 2021	Step E July 1, 2022	Step F July 1, 2023
1	General Manager	87,360	93,563	98,241	103,153	108,310	113,726

General Manager Compensation Schedule Conditions:

Manager's Date of Hire (DOH), August 14, 2018

The General Manager is appointed by the Board and serves "at will".

General Manager Compensation Schedule is computed figuring a 5% increase per step beginning July 1st, 2020

Salary increases will take affect on July 1st of each fiscal year.

No COLA increase between the date of hire and July 1, 2023 without amendment to this policy.

Review scheduled salary increase during the General Manager's annual performance review for Board approval.

Adjust schedule as needed when annual budget dictates.