

**Lake Oroville Area Public
Utility District**



**Fiscal Year 2020-2021
Budget Report**

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

2020-2021 BUDGET

Adopted June 9, 2020

Board of Directors: **Larry E. Kuehner, President**
William P. Sharman, Vice President
Dee G. Fairbanks
Angela D. Mastelotto

General Manager: **Scott McCutcheon**

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

2020-2021 BUDGET EXHIBITS

EXHIBIT A: 2020-2021 FISCAL YEAR REPORT AND BUDGET

EXHIBIT B: 2020-2021 CAPITAL EXPENDITURES

EXHIBIT C: 2020-2021 DISTRICT REVENUE

EXHIBIT D: 2020-2021 WAGES WORKSHEET

EXHIBIT E: 2020-2021 TOTAL WAGES AND BENEFITS

EXHIBIT F: 2020-2021 EMPLOYEE COMPENSATION SCHEDULE

EXHIBIT G: 2020-2021 MANAGER COMPENSATION SCHEDULE

2020-2021 BUDGET REPORT

Lake Oroville Area Public Utility District's 2020-2021 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 \$20.31

Step System Sewer Service Charge

Step System Sewer Service Charge changes to a monthly fee of \$25.16

RD Debt Service

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

Pumping Charge

Pumping Charge remains unchanged for a monthly fee of \$5.85

Kelly Ridge Pumping Charge

Kelly Ridge Pumping Charge remains unchanged for a monthly fee of \$3.37

SC-OR Service Charge

SC-OR Service Charge changes to a monthly fee of \$15.85

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

2020-2021 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, payroll taxes, 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.

2020-2021 BUDGET REPORT

Training/Memberships/Fees

Budget account includes costs for education/training, memberships/subscriptions, rent/leases/licenses, 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 taxes, 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 Expenses and Non-Operating Expenses.

2020-2021 BUDGET REPORT

Capitalized Expenditure

Budget account capitalized expenditures include design and construction costs for select capital projects, a new excavator and haul trailer, and new office software.

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 FY 2020-2021 BUDGET

	2020-21 Totals	2019-20 Totals	% Change
Operating Revenue			
Sewer Service	1,518,415	1,445,969	5.01%
Pumping Charge	128,084	125,547	2.02%
Kelly Ridge Pumping Charge (Taxes)	45,000	45,000	0.00%
Total Operating Revenue	1,691,499	1,616,515	4.64%
Operating Expenses			
Office Salaries & Wages	272,836	274,717	-0.68%
Field Salaries & Wages	343,019	335,488	2.24%
Office Emp Benefits	222,073	211,707	4.90%
Field Emp Benefits	237,133	215,572	10.00%
Professional Services	172,800	153,500	12.57%
Utilities	94,492	91,740	3.00%
Services and Supplies	106,195	103,920	2.19%
Training/Memberships/Fees	82,700	63,311	30.62%
Operations and Maintenance	105,635	109,390	-3.43%
Fuel, Oil, Grease, & Auto	55,500	58,432	-5.02%
Total Operating Expense	1,692,382	1,617,778	4.61%
Net Operating Revenue/Expense	(884)	(1,263)	-30.05%
Non-Operating Revenue			
Interest	25,498	19,386	31.53%
RD Debt Service	362,149	361,796	0.10%
Other Income	-	-	0.00%
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	633,247	626,783	1.03%
Non-Operating Expenses			
Loan Interest	104,125	106,611	-2.33%
Unanticipated Expense	-	-	
Total Non-Operating Expenses	104,125	106,611	-2.33%
Net Non-Operating Revenue/Expense	529,122	520,172	1.72%
Net Income	528,238	518,908	1.80%
Balance Sheet Cash Reconciling Items			
Capitalized Expenditure	646,673	270,700	138.89%
Debt Service Principal Payments	60,000	57,000	5.26%
Budgeted Net Cash Flow	(178,434)	191,208	-193.32%
Depreciation - Non Cash	564,000	550,656	2.42%
Change in Net Position	(742,434)	(359,448)	106.55%

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2020-2021 BUDGET
CAPITAL EXPENDITURES**

CAPITIALIZED EXPENDITURES	2020-21 Totals
<u>OFFICE</u>	
BMS ACCOUNTING SUITE	\$ 7,090
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Office Capital Expenditures	\$ -
<u>FIELD</u>	
BOBCAT EXCAVATOR	\$ 71,561
DUMP TRAILER	\$ 10,242
OPHIR SCHOOL PIPE BURST	\$ 109,980
L2 LIFT STATION PUMP UPGRADES	\$ 302,500
MT IDA LINE REPLACEMENT	\$ 45,300
LINCOLN AND OPHIR LIFT STATION DESIGN	\$ 100,000
Total Field Capital Expenditures	\$ 639,583
Total Capitalized Expenditures	\$ 646,673

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2020-2021 BUDGET
REVENUE**

OPERATING REVENUE	QTY	Rate	2020-21 Totals	2019-20 Totals	% Change
Primary System Sewer Service	5861	\$20.31	\$ 1,428,443	\$ 1,345,366	6.18%
Step System Sewer Service	298	\$25.16	\$ 89,972	\$ 100,602	-10.57%
Pumping Charge	1082	\$5.85	\$ 75,956	\$ 75,886	0.09%
Kelly Ridge Pumping Charge	1289	\$3.37	\$ 52,127	\$ 49,660	4.97%
Kelly Ridge Pumping Charge (Taxes)	1515	\$29.70	\$ 45,000	\$ 45,000	0.00%
Total Operating Revenue			\$ 1,691,499	\$ 1,616,515	4.64%

NON-OPERATING REVENUE	QTY	Rate	2020-21 Totals	2019-20 Totals	% Change
RD Debt Service	6159	\$4.90	\$ 362,149	\$ 361,796	0.10%
Interest Income	1	LS	\$ 25,498	\$ 19,386	31.53%
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			\$ 633,247	\$ 626,783	1.03%

Total Revenue			\$ 2,324,746	\$ 2,243,298	3.63%
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PASS THROUGH LIABILITIES	QTY	Rate	2019-20 Totals	2018-19 Totals	% Change
SC-OR Service Charge	6159	\$15.85	\$ 1,171,442	\$ 1,022,629	14.55%
Villa Verona Assesment	1	LS	\$ 19,204	\$ 19,204	0.00%
Total Operating Liabilities			\$ 1,190,646	\$ 1,041,833	14.28%

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2020-2021 BUDGET
WAGES**

Employee		2020-21 Totals	2019-20 Totals	% Change	
7/1/2020	Manager SM	Reg Hrs	2,088	2,096	-0.38%
\$47.05		Salary	\$ 98,241	\$ 93,563	5.00%
		Sui Wages	\$ 7,000	\$ 7,000	
		Vehicle Allowance	\$ 7,258	\$ 10,082	
7/1/2020	Bookkeeper/Clerk of the Board CQ	Reg Hrs	352	2,096	-83.21%
\$34.45		Salary	\$ 11,943	\$ 68,536	-82.57%
		Sui Wages	\$ 7,000	\$ 7,000	
7/1/2020	Office Clerk DK	Reg Hrs	2,088	2,096	-0.38%
\$30.95		Salary	\$ 64,376	\$ 61,256	5.09%
		Sui Wages	\$ 7,000	\$ 7,000	
7/1/2020	Accounts Payable II KH	Reg Hrs	2,088	-	0.00%
\$23.60		Salary	\$ 49,082	\$ -	0.00%
		Sui Wages	\$ 7,000	\$ -	
7/1/2020	Admin. Aide-Part Time AR	Reg Hrs	1,044	1,048	-0.38%
\$14.31		Salary	\$ 14,936	\$ 14,281	4.59%
		Sui Wages	\$ 7,000	\$ 7,000	
7/1/2020	Board	Reg Hrs	2,088	2,096	-0.38%
\$400.00		Salary	\$ 24,000	\$ 24,000	0.00%
		Sui Wages	\$ 24,000	\$ 24,000	
Total Office Wages		\$ 269,836	\$ 271,717	-0.69%	
Office W/C Wages		\$ 269,836	\$ 271,717	-0.69%	

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2020-2021 BUDGET
WAGES**

Employee		Reg Hrs	2088	2096	-0.003817	
7/1/2020 \$23.88	Utility Worker II RB	Hourly Rate				
		Regular Wages	\$ 49,852	\$ 47,668	4.58%	
		Standby	\$ 1,600	\$ 1,625	-1.54%	
			OT Hours	\$ 112	\$ 116	-3.45%
			OT Rate			
			Overtime Wages	\$ 4,011	\$ 3,957	1.36%
			Total Wages	\$ 55,463	\$ 53,250	4.16%
			Sui Wages	\$ 7,000	\$ 7,000	
			WC Wages	\$ 54,260	\$ 52,063	4.22%
		Reg Hrs	\$ 2,088	\$ 2,096	-0.38%	
7/1/2020 \$30.88	Foreman/ FOT DS	Hourly Rate				
		Regular Wages	\$ 64,477	\$ 67,470	-4.44%	
		Standby	\$ 1,700	\$ 1,675	1.49%	
			OT Hours	\$ 112	\$ 96	16.67%
			OT Rate			
			Overtime Wages	\$ 5,188	\$ 4,635	11.92%
			Total Wages	\$ 71,365	\$ 73,781	-3.27%
			Sui Wages	\$ 7,000	\$ 7,000	
			WC Wages	\$ 69,809	\$ 72,390	-3.57%

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2020-2021 BUDGET
WAGES**

Employee		2020-21 Totals	2019-20 Totals	% Change	
7/1/2020 \$25.08	Utility Worker II LT	Reg Hrs	2,088	2,096	-0.38%
		Hourly Rate			
		Regular Wages	\$ 52,368	\$ 50,043	4.65%
		Standby	\$ 1,625	\$ 1,600	1.56%
		OT Hours	\$ 112	\$ 124	-9.68%
		OT Rate			
		Overtime Wages	\$ 4,214	\$ 4,441	-5.12%
		Total Wages	\$ 58,207	\$ 56,084	3.79%
		Sui Wages	\$ 7,000	\$ 7,000	
WC Wages		\$ 56,943	\$ 54,751	4.00%	
7/1/2020 \$24.78	Operator UK	Reg Hrs	2,088	2,096	-0.38%
		Hourly Rate			
		Regular Wages	\$ 51,744	\$ 49,460	4.62%
		Standby	\$ 1,600	\$ 1,600	0.00%
		OT Hours	\$ 116	\$ 116	0.00%
		OT Rate			
		Overtime Wages	\$ 4,312	\$ 4,106	5.02%
		Total Wages	\$ 57,656	\$ 55,166	4.51%
		Sui Wages	\$ 7,000	\$ 7,000	
WC Wages		\$ 56,363	\$ 53,934	4.50%	
7/1/2020 \$43.10	Field Operations Supervisor DS	Reg Hrs	2,088	2,096	-0.38%
		Salary	\$ 89,648	\$ 86,528	3.61%
		Sui Wages	\$ 7,000	\$ 7,000	
Total Field Wages		\$ 332,339	\$ 324,808	2.32%	
Total Field W/C Wages		\$ 327,022	\$ 319,667	2.30%	

Total Wages		\$ 602,175	\$ 596,526	0.95%
Total W/C Wages		\$ 596,857	\$ 591,384	0.93%
Total Standby Wages		\$ 6,525	\$ 6,500	0.38%
Total OT Wages		\$ 17,724	\$ 17,139	3.41%
Total Annual SUI Wages		\$ 94,000	\$ 87,000	8.05%

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2020-2021 BUDGET
SCHEDULE OF ANNUAL WAGES WITH BENEFITS, TAXES, INSURANCE**

	2020-21 Totals	2019-20 Totals	% Change
COMPENSATION			
Hours per year	2088	2096	(0)
Office Wages	\$ 245,836	\$ 247,717	-0.76%
Director Wages	\$ 24,000	\$ 24,000	0.00%
Field Regular Wages	\$ 308,090	\$ 301,169	2.30%
Field Standby Wages	\$ 6,525	\$ 6,500	0.38%
Field Overtime	\$ 17,724	\$ 17,139	3.41%
TOTAL WAGES	\$ 602,175	\$ 596,526	0.95%
BENEFITS/TAXES/INSURANCE			
OFFICE OPERATIONS			
Office Benefits	\$ 158,970	\$ 145,198	9.49%
Director Benefits	\$ 5,000	\$ 11,600	-56.90%
Payroll Tax & Insurance	\$ 29,037	\$ 27,319	6.29%
OFFICE OPERATIONS SUBTOTAL	\$ 193,007	\$ 184,116	4.83%
FIELD OPERATIONS			
Field Benefits	\$ 202,986	\$ 191,687	5.89%
Payroll Tax & Insurance	\$ 62,129	\$ 51,216	21.31%
FIELD OPERATIONS SUBTOTAL	\$ 265,115	\$ 242,903	9.14%
Total Benefits & Payroll Tax/Insurance	\$ 458,122	\$ 427,020	7.28%
Total Wages, Benefit, & Tax/Insurance	\$ 1,060,297	\$ 1,023,545	3.59%

TITLE: EMPLOYEE COMPENSATION SCHEDULE

NUMBER: 2151

ADOPTED: February 8, 1984

AMENDED: June 9, 2020

EFFECTIVE: July 1, 2020

Range No.	Position Title	Step A	Step B	Step C	Step D	Step E	Step F
1	Administrative Aide - Part Time & Temporary	12.00	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	30.95
7	Operator - Regular Computer Support Specialist/ Administrative Assistant Accounts Receivable Clerk II	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	30.88
9	Bookkeeper/Clerk of the Board	24.77	26.03	27.33	28.72	30.14	34.45
10	Field Operations Supervisor	31.49	33.06	34.72	36.45	38.27	43.10

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.