Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

AGENDA

Board of Directors
Regular Meeting
September 8, 2026 ~ 2:00 PM

Materials related to an item on the open meeting agenda that are provided to the Board of Directors, including those provided to the Board after distribution of the agenda packet, are available on the District website.

California Government Code section 54954.2(a)(1) requires the agenda include “information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. An example of agenda language that would satisfy this requirement is: “Any persons requiring a disability-related modification or accommodation to participate in the public meeting can contact the District Secretary at 530-533-2000 at least 48 hours in advance of the meeting.”

We invite you to join today’s scheduled meeting via Zoom by using your phone or computer to attend this meeting. Please go to https://www.loapud.com/2026-09-08-board-meeting to participate in the teleconference.

1. CALL TO ORDER

1.1 Roll Call
1.2 Flag Salute
1.3 Moment of Silence

2. CONSENT AGENDA

All items listed under the Consent Agenda are considered routine and will be enacted by one motion unless an item is removed. Consent Agenda items will be read by title only. There will be no separate discussion of these items unless members of the Board or person in the audience request a specific item to be removed from the Consent Agenda to the Regular Agenda for separate discussion, prior to the time the Board votes on the motion to adopt the Consent Agenda. If any item(s) is removed from the Consent Agenda, the item(s) will be considered immediately following action on the Consent Agenda.

2.1 Regular Board Meeting Minutes of August 11, 2026
2.2 Financial Reports for Month Ending August 31, 2026
2.3 Claims Report for the Month Ending August 31, 2026

3. **ITEMS REMOVED FROM THE CONSENT AGENDA (IF ANY)**

4. **PRESENTATION OF THE 2024-25 INDEPENDENT AUDIT REPORT**

   The Board will review and consider approving the Independent Audit Report prepared by SingletonAuman PC for the fiscal year ending June 30, 2025.

REPORTS AND CONSULTATIONS

5. **SC-OR COMMISSIONER'S REPORT**

6. **BOARD MEMBERS' MANAGER AND STAFF COMMENTS**

   - Field Operations Activity Report
   - District Engineer Sauers Report
   - Manager's Report

7. **FUTURE AGENDA ITEMS**

8. **RECESS AND RECONVENE AT 3515 MYERS STREET, OROVILLE, CA FOR INSPECTION**

9. **ADJOURNMENT**

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #1 – CALL TO ORDER

1.1 Roll Call

1.2 Flag Salute

1.3 Moment of Silence

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #2 – CONSENT AGENDA

2.1 Board Meeting Minutes – August 11, 2026 Regular Meeting.

2.2 Financial Reports – Cash Report & Income Statement month ending August 31, 2026.

2.3 Payment of Claims – Claims Report month ending August 31, 2026.

Attachments included.

Recommended Action:

A motion to approve the minutes from the Regular Board Meeting of August 11, 2026 and approve the Financial Reports and Payment of Claims from August 31, 2026 as presented.

Roll call vote.

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

UNADOPTED
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
AUGUST 11, 2026

CALL TO ORDER

President Mastelotto called the meeting to order at **2:00 P.M.** Directors Knaus, Marciniak, and Salvucci were present. Director Belser was absent. Representing the District in person were General Manager (GM) Goyer, Engineer Knibb, Board Clerk (BC) Hamblin, and Field Operations Supervisor (FOS) Vincent Victorino.

PLEDGE OF ALLEGIANCE

The Board recited the Pledge of Allegiance.

MOMENT OF SILENCE

The Board observed a moment of silence.

CONSENT AGENDA

The Board reviewed the following items on the Consent Agenda:

- Minutes of July 14, 2026 Regular Meeting
- Financial Reports
- Claims List for the month ending July 31, 2026

ACTION: Adopt the Consent Agenda as presented.

Motion: Director Marciniak

Second: Director Knaus

Motion passed unanimously.

REGULAR AGENDA

REQUEST TO DISPOSE OF SURPLUS EQUIPMENT

GM Goyer requested that the 1999 Ford F-450, VIN ending in 48329, be added to the list of vehicles designated for disposal through public auction.

ACTION: Approve the disposal of the 1999 Ford F-450, VIN ending in 48329, through public auction.

Motion: Director Mastelotto

Second: Director Knaus

Motion passed unanimously.

SC-OR COMMISSIONERS' REPORT

Directors Mastelotto and Salvucci stated that they had nothing to report at this time.

ENGINEER'S REPORT

Engineer Knibb reported that he was performing design work on the following projects:

- Villa Verona–Oro Bangor
- Ophir School
- Regional Lift Station (River Ranch)

FIELD OPERATIONS SUPERVISOR'S REPORT

FOS Victorino reported the following:

- There were no Sanitary Sewer Overflows (SSOs) during July.
- Two new lateral connections were completed.
- District sanitary sewer manhole (SSMH) frames and covers were lowered within the roadways in preparation for grading and paving. The work was completed by Knife River Construction and inspected by District staff.

GENERAL MANAGER'S REPORT

GM Goyer reported the following:

- Additional items were being added to the surplus auction and would be made available to the public soon.
- Crysten Cole of the State Water Resources Control Board requested monthly updates regarding the acquisition of rights-of-way for the Palermo Wastewater Project.
- California Water Environment Association (CWEA) training was scheduled for three field crew members.
- The District received a letter from McNeill Law Office. GM Goyer referred the matter to legal counsel, and no further action was required at this time.
- He and FOS Victorino will attend a Joint Powers Authority (JPA) meeting in August.
- He updated the Board regarding the policies under review by legal counsel.

FUTURE ITEMS

The Board requested an update regarding the Myers Street property.

The next Regular Board Meeting was scheduled for September 8, 2026.

ADJOURNMENT

There being no further business to come before the Board, President Mastelotto adjourned the meeting at 2:18 P.M.

Respectfully submitted,

Kelly Hamblin
Clerk of the Board

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Cash Report
For the Accounting Period: 8/26

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
53 Sewer						
10001 GOLDEN VALLEY GENERAL	820,200.04	365,102.61	0.00	7,356.51	1,072,142.80	105,803.34
10105 GVB - MONEY MARKET ACCOUNT	1,327,217.27	5,294.31	450,000.00	0.00	0.00	1,782,511.58
10110 GVB - USDA ACCOUNT	10,012.64	0.00	0.00	0.00	0.00	10,012.64
10200 California CLASS	6,513,918.43	20,733.35	0.00	0.00	0.00	6,534,651.78
10400 LAIF 10401 Series A Bond	128,853.44	0.00	0.00	0.00	0.00	128,853.44
10401 LAIF ACCOUNT SERIES A BOND	107,048.00	0.00	0.00	0.00	0.00	107,048.00
10500 Petty Cash	500.00	0.00	0.00	0.00	0.00	500.00
Total Fund	**8,907,749.82**	**391,130.27**	**450,000.00**	**7,356.51**	**1,072,142.80**	**8,669,380.78**
55 RIVER RANCH OROVILLE LLC						
10001 GOLDEN VALLEY GENERAL	81,824.40	0.00	0.00	0.00	0.00	81,824.40
10100 GVB GENERAL CHECKING	-3,153.83	0.00	0.00	0.00	0.00	-3,153.83
Total Fund	**78,670.57**					**78,670.57**
57 LEAP GRANT						
10001 GOLDEN VALLEY GENERAL	-1,839.08	0.00	0.00	0.00	0.00	-1,839.08
58 REAP GRANT						
10001 GOLDEN VALLEY GENERAL	-530.67	0.00	0.00	0.00	0.00	-530.67
62 PALERMO WASTEWATER CONSOLIDATION						
10001 GOLDEN VALLEY GENERAL	-19,150.00	0.00	0.00	0.00	0.00	-19,150.00
71 Payroll Clearing						
10001 GOLDEN VALLEY GENERAL	-2,438.97	0.00	82,962.58	82,962.58	0.00	-2,438.97
10100 GVB GENERAL CHECKING	2,526.97	0.00	0.00	0.00	0.00	2,526.97
Total Fund	**88.00**		**82,962.58**	**82,962.58**		**88.00**
73 Claims Clearing						
10001 GOLDEN VALLEY GENERAL	1,828.02	0.00	552,159.32	553,117.35	0.00	869.99
Totals	**8,966,816.66**	**391,130.27**	**1,085,121.90**	**643,436.44**	**1,072,142.80**	**8,727,489.59**

*** Transfers In and Transfers Out columns should match, with the following exceptions:
1) Cancelled electronic checks increase the Transfers In column. Disbursed column will be overstated by the same amount and will not balance to the Redeemed Checks List.
2) Payroll Journal Vouchers including local deductions with receipt accounting will reduce the Transfers Out column by the total amount of these checks.

53 Sewer

Account Object	Description	Current Month	Current YTD	Budget	Variance	%
		Current Year				
Revenue						
41100	Sewer Service Charge	-82.47	-247.35	2,084,389.00	-2,084,636.35	
41150	Pumping Charge	-22.84	-22.84	134,200.00	-134,222.84	
41200	Kelly Ridge Pumping Chg (Taxes)		3,875.85	45,000.00	-41,124.15	9
	Total Revenue	**-105.31**	**3,605.66**	**2,263,589.00**	**-2,259,983.34**	
Expenses						
51000	Administration					
60100	Salaries & Wages	24,953.66	49,647.68	328,827.00	279,179.32	15
60200	Sick Time Buy Back			2,000.00	2,000.00	
62100	Health Insurance	3,498.00	6,218.20	40,985.00	34,766.80	15
62150	HSA PAYABLE	208.33	416.66	2,500.00	2,083.34	17
62200	Dental Insurance	342.14	684.28	4,580.00	3,895.72	15
62250	Life Insurance	49.02	98.04	750.00	651.96	13
62300	Vision Insurance			3,000.00	3,000.00	
62400	Deferred Comp 457	491.37	977.56	6,575.00	5,597.44	15
62450	CALPERS Contribution	3,316.69	6,568.50	42,135.00	35,566.50	16
62500	Workers Comp Ins.		3,543.63	3,600.00	56.37	98
62550	Payroll Taxes/Ins.	1,879.55	3,739.23	25,634.00	21,894.77	15
	Total Account	**34,738.76**	**71,893.78**	**460,586.00**	**388,692.22**	**16**
51100	Director					
60100	Salaries & Wages	2,000.00	4,000.00	24,000.00	20,000.00	17
62300	Vision Insurance			3,000.00	3,000.00	
62550	Payroll Taxes/Ins.	185.00	370.00	2,500.00	2,130.00	15
	Total Account	**2,185.00**	**4,370.00**	**29,500.00**	**25,130.00**	**15**
57000	General Operating					
62100	Health Insurance		388.90		-388.90	
62450	CALPERS Contribution		204,585.00	212,000.00	7,415.00	97
64100	Engineering Services	1,805.00	3,267.50	50,000.00	46,732.50	7
64150	Legal Services	756.50	1,602.00	40,000.00	38,398.00	4
64152	SURVEYING SERVICES			5,000.00	5,000.00	
64200	Accounting/Audit Services	1,575.00	1,575.00	45,000.00	43,425.00	4
64250	Insurance			76,000.00	76,000.00	
64300	Software Licenses, Annual Fees and Tech	2,653.34	6,637.98	75,000.00	68,362.02	9
65100	Office Utilities	1,890.39	3,505.92	20,900.00	17,394.08	17
65150	Shop/Yard Utilities	1,028.90	1,958.18	12,000.00	10,041.82	16
66100	Office Supplies & Expenses	608.76	926.99	7,500.00	6,573.01	12
66102	BILLING AND PAYMENT PROCESSING	6,275.05	8,059.78	42,000.00	33,940.22	19
66150	Office Equipment	434.65	706.38	20,000.00	19,293.62	4
66200	Building & Yard Repairs / Maintenance			3,550.00	3,550.00	

53 Sewer

Account	Object	Description	Current Month	Current YTD	Budget	Variance	%
	66250	Small Tools & Consumables	266.40	266.40	2,500.00	2,233.60	11
	66350	Outside services	720.00	1,290.00	10,000.00	8,710.00	13
	67100	Education & Training			1,500.00	1,500.00	
	67150	Membership/Subscriptions		2,613.97	18,000.00	15,386.03	15
	67200	Permits & Licenses			8,500.00	8,500.00	
	67250	Travel, Meals & Entertainment	63.55	63.55	2,500.00	2,436.45	3
	67300	Elections			5,000.00	5,000.00	
	67350	Bank and collection fees			8,000.00	8,000.00	
	67400	Safety Training			1,500.00	1,500.00	
	67500	Permits	26.00	26.00		-26.00	
	67550	LAFCo Operating Fees			3,000.00	3,000.00	
	69250	Heavy Equipment Repairs & Maintenance			2,500.00	2,500.00	
		Total Account	**18,103.54**	**237,473.55**	**671,950.00**	**434,476.45**	**35**
58000		Field					
	60100	Salaries & Wages	27,238.72	56,624.47	457,253.00	400,628.53	12
	60110	I & I Wages			8,000.00	8,000.00	
	60200	Sick Time Buy Back			4,000.00	4,000.00	
	61150	Standby Wages	507.81	990.04	6,500.00	5,509.96	15
	61200	Reoccuring Overtime Wages	1,576.22	2,818.10	25,000.00	22,181.90	11
	61250	Call-Out OT - Not VV	301.40	475.91	7,500.00	7,024.09	6
	61350	Villa Verona Reg Time	2,547.26	2,547.26	2,000.00	-547.26	127
	61351	Villa Verona Overtime	185.56	532.02	3,500.00	2,967.98	15
	62100	Health Insurance	8,069.54	16,139.08	117,345.00	101,205.92	14
	62150	HSA PAYABLE	416.66	833.32	7,500.00	6,666.68	11
	62200	Dental Insurance	426.64	853.28	6,000.00	5,146.72	14
	62250	Life Insurance	77.78	155.56	1,000.00	844.44	16
	62300	Vision Insurance		289.98	5,000.00	4,710.02	6
	62400	Deferred Comp 457	639.44	1,264.37	9,145.00	7,880.63	14
	62450	CALPERS Contribution	3,048.84	5,989.38	45,540.00	39,550.62	13
	62500	Workers Comp Ins.		22,705.52	28,350.00	5,644.48	80
	62550	Payroll Taxes/Ins.	2,405.74	4,755.93	35,695.00	30,939.07	13
	63500	Boots and Uniforms	291.40	524.52	6,500.00	5,975.48	8
	63502	Boots& Uniforms-Broderson			600.00	600.00	
	63506	Boots & Uniforms - VICTORINO	107.05	107.05	600.00	492.95	18
	63510	boots & Uniforms - WATSON			600.00	600.00	
	63514	Boots & Uniforms - NEWTON		374.11	600.00	225.89	62
	63515	Boots & Uniforms - VILLALOBOS	600.00	600.00	600.00		100
	64300	Software Licenses, Annual Fees and Tech		2,235.00	40,500.00	38,265.00	6
	65175	PUMP STATION UTILITIES	7,044.16	13,237.42	80,750.00	67,512.58	16
	66100	Office Supplies & Expenses			1,500.00	1,500.00	
	66200	Building & Yard Repairs / Maintenance	32.78	782.78	10,000.00	9,217.22	8
	66250	Small Tools & Consumables	109.05	140.71	11,750.00	11,609.29	1
	66300	Safety Supplies			1,500.00	1,500.00	
	66350	Outside services	236.00	236.00	7,500.00	7,264.00	3
	67100	Education & Training	240.00	240.00	1,500.00	1,260.00	16
	67150	Membership/Subscriptions			500.00	500.00	
	67200	Permits & Licenses			2,000.00	2,000.00	

53 Sewer

Account Object	Description	Current Month	Current YTD	Budget	Variance	%
67250	Travel, Meals & Entertainment			350.00	350.00	
67400	Safety Training			7,500.00	7,500.00	
68100	Routine Operations & Maintenance - Sewer	1,856.83	1,950.90		-1,950.90	
68125	REPAIRS AND MAINTENANCE ON PUMP STATIONS	4,390.69	7,191.08	73,000.00	65,808.92	10
68650	VV Operations & Maintenance	6.29	6.29	2,500.00	2,493.71	
69100	Diesel Fuel		2,246.43	14,450.00	12,203.57	16
69150	Gasoline	419.01	2,709.79	15,000.00	12,290.21	18
69155	Propane			200.00	200.00	
69250	Heavy Equipment Repairs & Maintenance	599.02	772.83	36,050.00	35,277.17	2
69300	Auto Repairs & Maintenance	512.01	4,058.91	23,000.00	18,941.09	18
	Total Account	**63,885.90**	**154,388.04**	**1,108,378.00**	**953,989.96**	**14**
	Total Expenses	**118,913.20**	**468,125.37**	**2,270,414.00**	**1,802,288.63**	**21**
	Net Income from Operations	-119,018.51	-464,519.71			
	Other Revenue					
47150	Sewer Service Late Fees	34,118.07	34,118.07		34,118.07	
47200	Interest	26,027.66	53,070.76		53,070.76	
47250	RD Surcharge	-14.70	-44.10	368,500.00	-368,544.10	
47310	Tax Asses Admin Fee	6,550.00	6,550.00	6,500.00	50.00	101
47350	Current Sec Taxes		21,708.66	417,505.00	-395,796.34	5
47400	Current Unsec Tax		136.11	23,214.00	-23,077.89	1
47450	Prior Unsec Tax		56.54		56.54	
47475	SUPPLEMENTAL APPORTIONMENT			27,975.00	-27,975.00	
47500	Other Taxes		1,283.32	3,835.00	-2,551.68	33
49000	Other Income	60.00	150.00		150.00	
						14
	Total Other Revenue	**66,741.03**	**117,029.36**	**847,529.00**	**-730,499.64**	**14**
	Other Expenses					
81000	Capital Outlay					
81110	Equipment Purchase			236,200.00	236,200.00	
81115	LIFT STATION UPGRADES	3,230.00	3,230.00		-3,230.00	
81130	PROPERTY AND BUILDING UPGRATES			369,000.00	369,000.00	
81135	IT UPGRADES			43,500.00	43,500.00	
81140	MAINLINE PROJECTS	2,470.00	2,470.00	170,344.00	167,874.00	1
81200	District Projects-CIP			1,455,100.00	1,455,100.00	
	Total Account	**5,700.00**	**5,700.00**	**2,274,144.00**	**2,268,444.00**	
85000	Debt Service					

53 Sewer

Account Object	Description	Current Month	Current YTD	Budget	Variance	%
		------------------- **Current Year**			-------------------------	
85200	Loan Principal			78,000.00	78,000.00	
85250	Loan Interest Expense		44,200.00	88,400.00	44,200.00	50
	Total Account		**44,200.00**	**166,400.00**	**122,200.00**	**27**
87000	Other Expense					
74400	Depreciation			695,254.00	695,254.00	
	Total Account			**695,254.00**	**695,254.00**	
	Total Other Expenses	**5,700.00**	**49,900.00**	**3,135,798.00**	**3,085,898.00**	**2**
	Net Income	-57,977.48	-397,390.35			

Note: Formula for % columns = revenue*100/total expense for Fund.

Claims

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	Notes
-98982	Clm E	209 CINTAS CORP	58.28	8/26	07/31/26	
-98981	Clm E	32 CA WATER SERVICE	49.06	8/26	07/31/26	
-98980	Clm E	115 SOUTH FEATHER WATER	0	8/26	08/07/26	
-98979	Clm E	115 SOUTH FEATHER WATER	0	8/26	08/07/26	
-98978	Clm E	115 SOUTH FEATHER WATER	0	8/26	08/07/26	
-98977	Clm E	115 SOUTH FEATHER WATER	0	8/26	08/07/26	
-98976	Clm E	115 SOUTH FEATHER WATER	0	8/26	08/07/26	
-98975	Clm E	32 CA WATER SERVICE	0	8/26	08/07/26	
-98974	Clm E	139 VERIZON WIRELESS	0	8/26	07/31/26	
-98973	Clm V	Check not processed in this period	0	/ 0	/ /	
-98972	Clm V	Check not processed in this period	0	/ 0	/ /	
-98971	Clm V	Check not processed in this period	0	/ 0	/ /	
-98970	Clm E	115 SOUTH FEATHER WATER	16.26	8/26	08/07/26	
-98969	Clm E	115 SOUTH FEATHER WATER	32.59	8/26	08/07/26	
-98968	Clm E	115 SOUTH FEATHER WATER	29.38	8/26	08/07/26	
-98967	Clm E	115 SOUTH FEATHER WATER	28.42	8/26	08/07/26	
-98966	Clm E	115 SOUTH FEATHER WATER	69.70	8/26	08/07/26	
-98965	Clm E	32 CA WATER SERVICE	106.68	8/26	08/07/26	
-98964	Clm E	139 VERIZON WIRELESS	350.13	8/26	08/07/26	
-98963	Clm E	209 CINTAS CORP	58.28	8/26	08/07/26	
-98962	Clm E	38 COMCAST	613.54	8/26	08/07/26	
-98961	Clm E	38 COMCAST	398.22	8/26	08/14/26	
-98960	Clm E	209 CINTAS CORP	83.69	8/26	08/14/26	
-98959	Clm E	133 COLUMBIA BANK	1236.12	8/26	08/14/26	
-98958	Clm E	133 COLUMBIA BANK	317.87	8/26	08/14/26	
-98957	Clm E	106 RECOLOGY BUTTE COLUSA COUNTIES	155.31	8/26	08/14/26	
-98956	Clm E	164 DRIVE PAYMENTS	198.00	8/26	08/14/26	
-98955	Clm E	133 COLUMBIA BANK	23.82	8/26	08/14/26	
-98954	Clm V	Check not processed in this period	0	/ 0	/ /	
-98953	Clm E	205 ANTHEM BLUE CROSS	14142.09	8/26	08/21/26	
-98952	Clm E	60 HUMANA	872.14	8/26	08/21/26	
-98951	Clm E	209 CINTAS CORP	58.28	8/26	08/21/26	
-98950	Clm E	209 CINTAS CORP	58.28	8/26	08/28/26	
-98949	Clm E	232 ELAN FINANCIAL SERVICES	431.20	8/26	08/27/26	
-98948	Clm E	32 CA WATER SERVICE	49.67	8/26	08/28/26	
-98947	Clm E	232 ELAN FINANCIAL SERVICES	812.11	8/26	08/28/26	
-98946	Clm V	Check not processed in this period	0	/ 0	/ /	
-98945	Clm V	Check not processed in this period	0	/ 0	/ /	
-98944	Clm V	Check not processed in this period	0	/ 0	/ /	
-98943	Clm V	Check not processed in this period	0	/ 0	/ /	
-98942	Clm V	Check not processed in this period	0	/ 0	/ /	
-98941	Clm V	Check not processed in this period	0	/ 0	/ /	
-98940	Clm V	Check not processed in this period	0	/ 0	/ /	
-98939	Clm V	Check not processed in this period	0	/ 0	/ /	
-98938	Clm V	Check not processed in this period	0	/ 0	/ /	
-98937	Clm E	59 HSA BANK	624.99	8/26	08/04/26	
-87844*	Pay P	2 ROBERT BRODERSON	2445.70	8/26	08/07/26	
-87843	Pay P	21 DAVID GOYER	3301.05	8/26	08/07/26	

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

Payroll

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	Notes
-87842	Pay P	4 KELLY J HAMBLIN	2413.18	8/26	08/07/26	
-87841	Pay P	30 ZECHARIAH NEWTON	2017.53	8/26	08/07/26	
-87840	Pay P	19 VINCENT M VICTORINO	2759.60	8/26	08/07/26	
-87839	Pay P	31 JAVIER VILLALOBOS	1719.33	8/26	08/07/26	
-87838	Pay P	24 JASEN WATSON	1894.87	8/26	08/07/26	
-87837	Pay P	CALPERS 457 CAL 457	1943.00	8/26	08/07/26	
-87836	Pay P	PERS CLASS CAL PERS CLASSIC	3109.70	8/26	08/07/26	
-87835	Pay P	PEPRA CAL PERS PEPRA	2166.47	8/26	08/07/26	
-87834	Pay P	SDI EDD	1371.08	8/26	08/07/26	
-87833	Pay P	FIT EFTPS	6625.01	8/26	08/07/26	
-87832	Pay P	HEALTH INS LAKE OROVILLE AREA PUD	5657.16	8/26	08/07/26	
-87831	Pay P	AD&D LOPUD	832.39	8/26	08/07/26	
-87830	Pay P	29 FRANK BELSER	364.20	8/26	08/21/26	
-87829	Pay P	2 ROBERT BRODERSON	2114.32	8/26	08/21/26	
-87828	Pay P	21 DAVID GOYER	3301.05	8/26	08/21/26	
-87827	Pay P	4 KELLY J HAMBLIN	2406.51	8/26	08/21/26	
-87826	Pay P	28 CLAUDIA KNAUS	364.20	8/26	08/21/26	
-87825	Pay P	16 ROBERT MARCINIAK	364.20	8/26	08/21/26	
-87824	Pay P	9 ANGELA D MASTELOTTO	364.20	8/26	08/21/26	
-87823	Pay P	30 ZECHARIAH NEWTON	1523.24	8/26	08/21/26	
-87822	Pay P	11 ANNELYN A RACKLEY	356.55	8/26	08/21/26	
-87821	Pay P	17 RICHARD SALVUCCI	364.20	8/26	08/21/26	
-87820	Pay P	19 VINCENT M VICTORINO	2759.60	8/26	08/21/26	
-87819	Pay P	31 JAVIER VILLALOBOS	2120.95	8/26	08/21/26	
-87818	Pay P	24 JASEN WATSON	1966.35	8/26	08/21/26	
-87817	Pay P	CALPERS 457 CAL 457	1881.65	8/26	08/21/26	
-87816	Pay P	PERS CLASS CAL PERS CLASSIC	3109.70	8/26	08/21/26	
-87815	Pay P	PEPRA CAL PERS PEPRA	2167.53	8/26	08/21/26	
-87814	Pay P	CA TRAIN (ETT) EDD	1384.21	8/26	08/21/26	
-87813	Pay P	FIT EFTPS	6795.04	8/26	08/21/26	
-87812	Pay P	HEALTH INS LAKE OROVILLE AREA PUD	5657.16	8/26	08/21/26	
-87811	Pay P	AD&D LOPUD	832.39	8/26	08/21/26	
30649*	Clm SC	14 BETTER DEAL EXCHANGE	31.66	8/26	07/31/26	
30650	Clm SC	24 BUTTE COUNTY PUBLIC HEALTH DEPT	3809.00	8/26	07/31/26	
30651	Clm SC	48 DEL MAR EQUIPMENT	390.88	8/26	07/31/26	
30652	Clm SC	999998 KELLY J HAMBLIN	388.90	8/26	07/31/26	
30653	Clm SC	93 PACIFIC GAS & ELECTRIC	32.18	8/26	07/31/26	
30654	Clm SC	110 SC-OR	496743.28	8/26	07/31/26	
30655	Clm SC	134 UNDERGROUND SERVICE ALERT OF NORT	746.91	8/26	07/31/26	
30656	Pay P	5 DARIN K KAHALEKULU	2254.63	8/26	08/07/26	
30657	Clm SC	12 AT & T	221.86	8/26	08/07/26	
30658	Clm SC	14 BETTER DEAL EXCHANGE	200.57	8/26	08/07/26	
30659	Clm SC	119 CIVIC PLUS	367.50	8/26	08/07/26	
30660	Clm SC	219 CliftonLarsonAllen LLP	1575.00	8/26	08/07/26	
30661	Clm SC	48 DEL MAR EQUIPMENT	309.51	8/26	08/07/26	
30662	Clm SC	999999 JACKSON'S GLASS INC	40.00	8/26	08/07/26	
30663	Clm SC	999998 JAVIER VILLALOBOS	600.00	8/26	08/07/26	
30664	Clm SC	79 MIRY'S CLEANING SERVICES	295.00	8/26	08/07/26	

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

Claims

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	Notes
30665	Clm SC	86 O'REILLY AUTOMOTIVE, INC	157.53	8/26	08/07/26	
30666	Clm SC	88 OROVILLE CABLE & EQUIPMENT	109.35	8/26	08/07/26	
30667	Clm SC	172 STRATTI	142.50	8/26	08/07/26	
30668	Clm SC	122 TEHAMA TIRE	81.77	8/26	08/07/26	
30669	Clm SC	14 BETTER DEAL EXCHANGE	43.83	8/26	08/14/26	
30670	Clm SC	24 BUTTE COUNTY PUBLIC HEALTH DEPT	157.00	8/26	08/14/26	
30671	Clm SC	203 FERGUSON WATERWORKS	782.50	8/26	08/14/26	
30672	Clm SC	86 O'REILLY AUTOMOTIVE, INC	16.38	8/26	08/14/26	
30673	Clm SC	210 ORO DAM AUTO CENTER	352.29	8/26	08/14/26	
30674	Clm SC	88 OROVILLE CABLE & EQUIPMENT	155.15	8/26	08/14/26	
30675	Clm SC	93 PACIFIC GAS & ELECTRIC	7691.55	8/26	08/14/26	
30676	Clm SC	113 SHARP'S LOCKSMITHING	32.78	8/26	08/14/26	
30677	Clm SC	172 STRATTI	1924.69	8/26	08/14/26	
30678	Clm SC	166 VALLI INFORMATION SYSTEMS, INC	261.60	8/26	08/14/26	
30679	Clm SC	238 ENGENUITY INC	3020.90	8/26	08/13/26	
30680	Pay P	5 DARIN K KAHALEKULU	2254.63	8/26	08/21/26	
30681	Clm SC	11 ANSWERLINE COMMUNICATIONS	275.00	8/26	08/21/26	
30682	Clm SC	190 CANON FINANCIAL SOLUTIONS	248.94	8/26	08/21/26	
30683	Clm SC	78 MINASIAN LAW	756.50	8/26	08/21/26	
30684	Clm SC	109 SAUERS ENGINEERING INC	4275.00	8/26	08/21/26	
30685	Clm SC	143 WEIMER AND SONS	364.34	8/26	08/21/26	
30686	Clm SC	109 SAUERS ENGINEERING INC	3230.00	8/26	08/21/26	
30687	Clm SC	168 DUKE SHERWOOD CONTRACTING INC	959.46	8/26	08/21/26	
30688	Clm SC	239 BUTTE COUNTY ENVIRONMENTAL HEALTH	26.00	8/26	08/28/26	
30689	Clm C	232 ELAN FINANCIAL SERVICES	0	8/26	08/28/26	
30690	Clm SC	999998 KELLY J HAMBLIN	388.90	8/26	08/28/26	
30691	Clm SC	95 PARAMEX	79.00	8/26	08/28/26	

Grand Total # of Checks: 123 Total: 635121.90 Total Claims 552159.32 Total Payroll 82962.58

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #3 – ITEMS REMOVED FROM THE CONSENT AGENDA

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #4 – PRESENTATION OF THE INDEPENDENT AUDIT

GM Goyer will present the Independent Audit Report for the fiscal year ending in June 2025.

Recommended Action:

A motion to approve the 2024-2025 Independent Audit Report prepared by SingletonAuman CPA.

Roll call vote.

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Butte County, California

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2025

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2025

SingletonAuman PC
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Clay E. Singleton, CPA, MSAcc
Rita Antram, CPA, EA
Caryn Doyle, EA
Ashley Gorbet-Dandois, EA

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lake Oroville Area Public Utility District
Oroville, California

Opinions

We have audited the accompanying financial statements of the business-type activities and the major fund of the Lake Oroville Area Public Utility District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the major fund of the Lake Oroville Area Public Utility District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the schedule of proportionate share of the net pension liability, and the schedule of pension contributions be presented to supplement the basic financial statements. Such information, although not a basic part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operation, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Budgetary Comparison Information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

SingletonAuman, PC

SingletonAuman, PC

Susanville, California
June 30, 2026

INTRODUCTION

Lake Oroville Area Public Utility District's present operations include providing sewage collection and transmission services to residents of the District.

Our discussion and analysis of the Lake Oroville Area Public Utility District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the District's financial statements, including notes and supplementary information, which follow this section.

Financial Highlights

- The net position was $13,481,688 at June 30, 2025. This was an increase of $1,043,093 from the prior year.
- Overall revenues were $3,517,939 which were more than expenses of $2,474,846 by $1,043,093.
- Deferred Outflows-Pension Plan - $792,273, a decrease of $201,594 over the prior year which is a result of the most recent actuarial valuation.
- Deferred Inflows-Pension Plan - $262,211, a decrease of $261,303 over the prior year, which is the result of the most recent actuarial valuation.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements include five components:

- Statement of Net Position – Proprietary Fund
- Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund
- Statement of Cash Flows – Proprietary Fund
- Statement of Fiduciary Net Position – Custodial Fund
- Statement of Changes in Net Position – Custodial Fund
- Notes to the Financial Statements

The **Statement of Net Position** includes all the District's assets and liabilities, with the difference between the two reported as Net Position. Net Position is displayed in three categories:

- Net investment in capital assets
- Restricted
- Unrestricted

This statement provides the basis for evaluating the capital structure of the District and assessing its liquidity and financial flexibility.

The **Statement of Revenues, Expenses, and Changes in Net Position** presents information which shows how the District's equity changed during each year. All of the year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The statement of revenues, expenses, and changes in net position measures the success of the District's operations during the year and determines whether the District has recovered its costs through user fees and other charges.

The **Statement of Cash Flows** provides information regarding the District's cash receipts and cash disbursements during the year. This statement reports cash activity in four categories:

- Operating Activities
- Noncapital Financing Activities
- Capital and Related Financing Activities
- Investing Activities

The **Statement of Fiduciary Net Position, and Changes in Net Position – Custodial Fund** includes all of the District's Villa Verona Assessment District assets and liabilities. This statement differs from the statements of revenues, expenses, and changes in equity by only accounting for transactions that result in cash receipts or cash disbursements.

The **Notes to Financial Statements** provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles that are not otherwise present in the financial statements.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was $13,481,688 at June 30, 2025. The significant changes for fiscal 2025 vs. 2024 are:

- Pension Plan Deferred Inflows and Outflows changed as a result of most recent actuarial valuation.
- Net Pension Liability Increased due to the most recent actuarial valuation.
- Cash increased as a result of an operating surplus, as well as non-operating revenues.

	Business-Type Activities		Total % Change
Year Ending June 30,	2025	2024	2025-2024
Assets			
Cash	$ 6,058,909	$ 4,825,942	25.55%
Accounts Receivable	1,780,994	1,731,914	2.83%
Other Current Assets	100,841	86,735	16.26%
Restricted Cash	1,637,802	1,628,085	0.60%
Investment in Sewer Treatment Association	41,982	41,982	0.00%
Capital Assets, Net of Accumulated Depreciation	7,956,177	8,260,900	-3.69%
Total Assets	17,576,705	16,575,558	
Deferred Outflows of Resources			
Deferred Recognition of Contributions to Pension Plan	792,273	993,867	-20.28%
Total Deferred Outflows of Resources	792,273	993,867	
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Expenses	655,055	586,650	11.66%
Due to Other Funds	-	(603)	
Accrued Compensated Absences	129,728	60,076	115.94%
Bond Interest Payable	45,772	47,281	-3.19%
Bonds Payable - Due within One Year	74,000	71,000	4.23%
Non-Current Liabilities			
Net Pension Liability	1,640,524	1,688,912	-2.87%
Bonds Payable - Due in More Than One Year	2,080,000	2,154,000	-3.44%
Total Liabilities	4,625,079	4,607,316	
Deferred Inflows of Resources			
Deferred Recognition of Pension Plan Earnings	262,211	523,514	-49.91%
Total Deferred Inflows of Resources	262,211	523,514	
Net Position			
Net Investment in Capital Assets	5,802,177	6,035,900	-3.87%
Restricted	1,637,802	1,628,085	0.60%
Unrestricted	6,041,709	4,774,610	26.54%
Total Net Position	$ 13,481,688	$ 12,438,595	

Changes in Net Position

The District's total revenues were $3,517,939. A majority of the revenue comes from Service Charges (57%). The Rural Development Loan Surcharge accounted for 10% of the total revenues. Operation Expenses increased significantly due to the recording of deferred inflows, outflows and pension liability for the pension plan. Charges for Services increased due to an increase in utility rates.

	Business-Type Activities		Total % Change
	2025	2024	2025-2024
REVENUES			
Operation Revenues:			
Charges for Services	$ 1,998,217	$ 1,902,173	5.05%
Special Assessment	46,139	44,862	2.85%
General Revenues			
Taxes	599,015	440,646	35.94%
Interest Income and Late Fees	506,642	286,897	76.59%
Capacity Charges	28,885	110,094	-73.76%
Rural Development Loan Surcharge	363,168	362,904	0.07%
Leap Grant	-	44,080	-100.00%
SC-OR Regional Facility Charge	(26,552)	96,185	-127.61%
Miscellaneous	2,425	6,008	-59.64%
TOTAL REVENUES	3,517,939	3,293,849	
EXPENSES			
Operation Expenses:			
Administration and General	996,931	826,245	20.66%
Sewage Collection Services	717,997	641,586	11.91%
Depreciation	668,373	649,891	2.84%
Other Expenses			
Bond Interest Expense	91,545	94,563	-3.19%
TOTAL EXPENSES	2,474,846	2,212,285	
CHANGE IN NET POSITION	$ 1,043,093	$ 1,081,564	-3.56%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The overall financial performance of the District as a whole is reflected in the communication between the Board of Directors and the District employees as they all work together in providing the best quality of service to its customers.

Budgetary Highlights

The District prepares a preliminary budget in May or June of each fiscal year. A final budget is adopted by the Board in August. A schedule of the District's original and final budget amounts compared with actual revenues and expenses is provided in the supplemental information section of the audited financial report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, the District had invested $7,956,177 in a broad range of capital assets, including land and surface lines. More detailed information about the District's capital assets is presented in the notes to the financial statements.

	Business-Type Activities		Total % Change
	2025	2024	2025-2024
Land	$ 151,244	$ 151,244	0.00%
Work in Progress	239,557	110,714	116.37%
Subsurface Lines	13,966,636	13,966,636	0.00%
General Plant and Admin Facilities	5,633,265	5,398,458	4.35%
Sewer Collection Facility	4,434,824	4,434,824	0.00%
Totals at Historical Cost	24,425,526	24,061,876	
Total Accumulated Depreciation	(16,469,349)	(15,800,976)	4.23%
Net Capital Assets	$ 7,956,177	$ 8,260,900	

Long-Term Debt

At year end, the District had $3,720,524 in long-term debt, consisting of Series A – Sewer Revenue Bonds and Net Pension Liability. More detailed information about the District's debt is presented in the notes to the financial statements.

	Business-Type Activities		Change
	2025	2024	2025-2024
Net Pension Liability	$ 1,640,524	$ 1,688,912	-2.87%
Sewer Revenue Bonds-Series A	2,080,000	2,154,000	-3.44%
Total Long-Term Debt	$ 3,720,524	$ 3,842,912	-3.18%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the time these financial statement were prepared and audited, the District was aware of circumstances that could affect its future financial heath, specifically:

- The State of California PERS unfunded liability will most likely result in retirement benefit cost increases in future years

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, participants, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. It you have any questions about this report, or need additional financial information, contact:

David Goyer
General Manager
Lake Oroville Area Public Utility District
1960 Elgin Street
Oroville, CA 95966
(530) 533-2000

BASIC FINANCIAL STATEMENTS

LAKE OROVILLE PUBLIC UTILITY DISTRICT
STATEMENT OF NET POSITION – PROPRIETARY FUND
JUNE 30, 2025

	Utility Fund
ASSETS	
Cash and Cash Equivalents	$ 6,058,909
Cash and Cash Equivalents - Restricted	1,637,802
Accounts Receivable	1,627,676
Taxes Receivable	153,318
Inventory	15,583
Prepaid Expenses	85,258
Investment in Sewer Treatment JPA	41,982
Capital Assets, Net of Accumulated Depreciation	7,956,177
Total Assets	17,576,705
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pension Plan	792,273
Total Deferred Outflows of Resources	792,273
LIABILITIES	
Current Liabilities:	
Accounts Payable and Other Current Liabilities	655,055
Accrued Compensated Absences	129,728
Accrued Bond Interest Payable	45,772
Bonds Payable - Due within One Year	74,000
Non-Current Liabilities:	
Net Pension Liability	1,640,524
Bonds Payable - Due in More Than On Year	2,080,000
Total Liabilities	4,625,079
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Pension Plan	262,211
Total Deferred Inflows of Resources	262,211
NET POSITION	
Net Investment in Capital Assets	5,802,177
Restricted	1,637,802
Unrestricted	6,041,709
Total Net Position	$ 13,481,688

See accompanying Notes to Basic Financial Statements.

LAKE OROVILLE PUBLIC UTILITY DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION – PROPRIETARY FUND
YEAR ENDED JUNE 30, 2025

	Utility Fund
Operating Revenues:	
Sewer Service Charges	$ 1,861,202
Pumping Charges	134,313
Connection & Inspection Fees	2,702
Special Assessment - Kelly Ridge	46,139
Total Operating Revenues	2,044,356
Operating Expenses:	
Administration and General	996,931
Sewage Collection Services	717,997
Depreciation	668,373
Total Operating Expenses	2,383,301
Net Operating Income (Loss)	(338,945)
Nonoperating Revenues (Expenses)	
Property Tax	599,015
Interest Income and Late Fees	506,642
Capacity Charges	28,885
Rural Development Loan Surcharges	363,168
SC-OR Regional Facility Charge	(26,552)
Other Income	2,425
Bond Interest Expense	(91,545)
Net Nonoperating Revenues (Expenses)	1,382,038
Change in Net Position	1,043,093
Net Position - Beginning of Year	12,438,595
Net Position - End of Year	$ 13,481,688

See accompanying Notes to Basic Financial Statements.

LAKE OROVILLE PUBLIC UTILITY DISTRICT
STATEMENT OF CASH FLOWS – PROPRIETARY FUND
YEAR ENDED JUNE 30, 2025

	Utility Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	$ 1,959,743
Other Income	46,139
Cash Paid to Employees for Service and Benefits	(1,110,914)
Cash Paid to Suppliers	(587,556)
Net Cash Provided by Operating Activities	307,412
Cash Flows from Non-Capital Financing Activities:	
Miscellaneous Nonoperational Receipts	2,425
Property Taxes	588,409
Net Cash Provided by Non-Capital Financing Activities	590,834
Cash Flows from Capital and Related Financing Activities:	
Additions to Property, Plant and Equipment	(363,651)
Capacity Charges Received	28,885
Principal Paid on Capital Debt	(71,000)
Interest Paid on Capital Debt	(93,054)
Rural Development Loan Surcharges	363,168
SC-OR Regional Facility Charge and Grant Proceeds	(26,552)
Net Cash Used by Capital and Related Financing Activities	(162,204)
Cash Flows from Investing Activities:	
Interest on Investments and Customer Late Fees	506,642
Net Cash Provided by Investing Activities	506,642
Net Increase in Cash	1,242,684
Cash and Cash Equivalents - Beginning of Year	6,454,027
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 7,696,711

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	$ (338,945)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:	
Depreciation	668,373
(Increase)/Decrease in Receivables	(38,474)
(Increase)/Decrease in Prepaid Assets	(14,106)
Increase/(Decrease) in Payables	69,009
Increase/(decrease) in Accrued Compensated Absences	69,652
Increase/(decrease) in Net Pension Liabilities	(48,388)
(Increase)/decrease in Deferred Outflows	201,594
Increase/(decrease) in Deferred Inflows	(261,303)
Net Cash Provided by Operating Activities	$ 307,412

See accompanying Notes to Basic Financial Statements.

LAKE OROVILLE PUBLIC UTILITY DISTRICT
STATEMENT OF NET POSITION – CUSTODIAL FUND
JUNE 30, 2025

	Villa Verona Assessment District Custodial Fund
ASSETS	
Cash and Cash Equivalents	$ 15,513
Due from District	17,937
Assessments Receivable - current	20,085
Assessments Receivable - delinquent	1,715
Assessments Receivable - deferred	98,663
Total Assets	$ 153,913
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Unearned Revenues	$ 98,663
Easements Payable	2,703
Due to Bondholders	114,000
Total Current Liabilities	$ 215,366
NET POSITION	
Restricted for Other Purposes	$ (61,453)
Total Net Position	$ (61,453)

See accompanying Notes to Basic Financial Statements.

LAKE OROVILLE PUBLIC UTILITY DISTRICT
STATEMENT OF CHANGES IN NET POSITION – CUSTODIAL FUND
YEAR ENDED JUNE 30, 2025

	Villa Verona Assessment District Custodial Fund
ADDITIONS:	
Special Assessments	$ 20,319
Interest Income	17
Total Additions	20,336
DEDUCTIONS:	
Collections Fees	55
Bond Interest Expense	5,479
Miscellaneous	438
Total Deductions	5,972
Change in Custodial Fund Net Position	14,364
Total Net Position, Beginning	(75,817)
Total Net Position, Ending	$ (61,453)

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Lake Oroville Area Public Utility District (the District) is a California Public Utility District that was organized on June 27, 1938. It provides sewage collection and transmission services to residents of the Kelly Ridge and other eastern Oroville areas.

The District's financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Governmental Accounting Standards Board (GASB) Statement 39, include:

- The organization is legally separate (can sue and be sued in their own name).
- The District holds the corporate powers of the organization.
- The District appoints a majority of the organization's governing board.
- The District is able to impose its will on the organization.
- The organization has the potential the impose a financial benefit/burden on the District.
- There is fiscal dependency by the organization on the District.

Based on the aforementioned, criteria, the Lake Oroville Area Public Utility District has no component units.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units accounted for as a proprietary enterprise fund. The enterprise fund is used since the District's powers are related to those operated in a manner similar to a private utility system where net income and capital maintenance are appropriate determinations of accountability.

Basis of Accounting

The District accounts for its operations and activities as a utility enterprise fund. The enterprise fund is operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services on a continuing basis be financed or recovered primarily through user service charges.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues and Expenses

The District distinguishes *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Principal operating revenues of the District are charges to customers for sales and services including operating charges collected through special assessments on certain property tax rolls. Operating expenses for the District include salaries and benefits, supplies and other services, and insurance premiums.

Revenues and expenses are recognized on the accrual basis. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows actually take place.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

Fiduciary Fund

Custodial Fund – Custodial funds are used to report fiduciary activities that are not required to be reported as another fiduciary fund type.

Inventory

Inventories are valued at cost using the average cost method.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments

For purposes of the statement of cash flows, the District's proprietary fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Investments at June 30, 2025 are stated at fair value.

Restricted Assets

The District has presented restricted cash for amounts received from the District's capacity charge and rural development surcharge. In addition, the USDA Bond Reserve is presented as restricted cash. These amounts have been classified as restricted assets on the statement of net position because their use is limited by applicable bond or other covenant.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Receivables and Payables

The purpose of the interfund balance is to reflect the District's collections of Villa Verona special assessments that will be transferred to the Villa Verona bank account at a future date. The amount due to Villa Verona Special Assessment from the District at June 30, 2025 was $17,937.

Bad Debts

It is the District's policy to collect past due accounts by adding such amounts to the County of Butte's property tax rolls. As such, it is management's opinion that past due accounts are, in all material respects, fully collectible, and no allowance for doubtful accounts has been recorded on the accompanying financial statements.

Capital Assets

Property and equipment with a life greater than one year are capitalized and stated at cost, except for portions acquired by contribution, which are reported at the agreed upon cost to the done, which equates fair market value. It is the District's policy to capitalize individual items costing more than $5,000. Maintenance and repair costs are expensed as incurred unless they extend the asset's useful life. Depreciation is computed using the straight-line method over asset estimated useful lives as presented below:

Subsurface lines	50 years
Sewage collection	10 - 50 years
General plant and Administrative Facilities	3 - 30 years

Construction-in-progress – costs associated with development state projects are accumulated in the construction-in-progress account until the project is fully developed. Once the project is complete, the entire cost of the project is transferred to a capital asset account and depreciated over the estimated useful life.

Compensated Absences

All probationary and permanent employees of the District earn sick leave at a rate of one eight hour working day per month and can accrue an unlimited number of hours. At the employees' request unused sick leave time may be "bought back" by the District at a rate of one-half (1/2) day for each whole day accrued. Buy back shall be limited only to time over and above thirty (30) days of accrued sick leave. No more than 12 days of accrued sick leave shall be bought back in any given calendar year unless employment is voluntarily terminated, in which case all accrued sick leave may be "bought back" by the District at a rate of one-half day for each whole day accrued. Vacation is based upon the length of service. The District will buy back accumulated vacation of an employee upon termination or retirement from the District. Sick leave is more likely than not to be used during an employee's employment, or upon separation from service, and is paid at their current rate of pay.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This guidance requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use of payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined post-employment benefits should not be included in a liability for compensated absences. For purposes of these financial statements, the calculation of accrued compensated absences as of June 30, 2025 is reflective of guidance from GASB Statement No. 101.

Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 103	*"Financial Reporting Model Improvements"*	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.
Statement No. 104	*"Disclosure of Certain Capital Assets"*	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.

Subsequent Events

Subsequent events are evaluated through June 30, 2026, which is the date the financial statements were available to be issued.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of June 30, 2025 consisted of the following:

Cash on Hand	$	500
Deposits with Financial Institutions		1,712,969
Investments		5,983,242
	$	7,696,711

Investments

The District may invest in the following types of investments:

- Passbook savings account demand deposits
- Money market accounts
- Certificates of deposit with commercial banks and/or savings and loan companies
- Local Agency Investment Fund (State pool) demand deposits
- Mutual funds

The District has, in practice, limited deposits and investments to insured and/or collateralized demand deposit accounts, the State Treasurer's Local Agency Investment Fund (LAIF), California Cooperative Liquid Assets Securities System (CLASS) and certificates of deposit. The District does not enter into reverse repurchase agreements.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization. The District does not hold direct investments, therefore, there is no concentration of credit risk.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. The amounts in excess of federal depository insurance limits were $994,327 as of June 30, 2025 and the remaining amounts were collateralized as described above.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Custodial Credit Risk (Continued)

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool (LAIF)

The District is a voluntary participant in LAIF. LAIF is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the entity's investment in this pool is reported in the accompanying financial statements at amounts based upon the Entity's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Investment in California Cooperative Liquid Assets Securities System (CLASS)

The District is a voluntary participant in California CLASS, a pooled investment option that was created via a Joint Power Authority (JPA) by and among California public agencies. There are no maximum or minimum transactions or investment requirements. Investments in CLASS are highly liquid, and Prime Fund offers same day availability. California CLASS is overseen and governed by a Board of Trustees, made up of public agency finance professionals who participate in the pool and are members of the JPA. Public Trust Advisors, LLC report to the Board of Trustees and is responsible for all program investment and administrative activities. California CLASS only invests in securities permitted by California State Code Section 53601. Investments in California CLASS are measured at fair value and are deemed equivalent to the dollars held in the accompanying financial statements.

NOTE 4 PROPERTY TAX

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments, on December 10 and April 10. The District relies on the competency of the County of Butte for the billing, collection, and distribution of its share of property tax revenues.

NOTE 5 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended June 30, 2025 follows:

	Balance 6/30/2024	Additions	Dispositions	Balance 6/30/2025
Fixed Assets				
Land	$ 151,244	$ -	$ -	$ 151,244
Subsurface lines	13,966,636	-	-	13,966,636
Sewer collection facilities	4,434,824	-	-	4,434,824
General plant and administration facilit	5,398,458	234,807	-	5,633,265
Work in Progress	110,714	128,843	-	239,557
	24,061,876	363,650	-	24,425,526
Accumulated Depreciation				
Subsurface lines	(7,873,817)	(331,946)	-	(8,205,763)
Sewer collection facilities	(4,395,535)	(86,398)	-	(4,481,933)
General plant and administration facilit	(3,531,624)	(250,029)	-	(3,781,653)
Accumulated Depreciation	(15,800,976)	(668,373)	-	$ (16,469,349)
Property and Equipment, Net	$ 8,260,900	$ (304,723)	$ -	$ 7,956,177

NOTE 6 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended June 30, 2025:

	Balance 6/30/2024	Additions	Reductions	Balance 6/30/2025	Due Within One Year
Sewer Revenue Bonds - Series A	$ 2,225,000	$ -	$ (71,000)	$ 2,154,000	$ 74,000
Total Long-Term Obligations	$ 2,225,000	$ -	$ (71,000)	$ 2,154,000	$ 74,000

The detail of the District's long-term obligations is as follows:

<u>Sewer Revenue Bonds</u>

The District authorized the issuance of $5,000,000 in Lake Oroville Area Public Utility District Sewer Revenue Bonds (the Bonds). The Bond s were issued in two separate series. All the bonds were purchased by the USDA Rural Development through its Rural Utilities Service. The Bonds are secured by a first lien and a pledge of all revenues of the enterprise fund to repay the Bonds.

The District assessed a "Rural Development Loan Surcharge" for the purpose of making bond principal and interest payments and established required debt service reserves.

The Series A bonds accrue interest at a rate of 4.25% per annum. "Series A" requires annual principal payments ranging from $29,000 to $163,000 each July 1 through the year 2043. Interest is paid semi-annually on January 1 and July 1. Total "Series A" bonds outstanding at June 30, 2025 was $2,154,000.

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Sewer Revenue Bonds (Continued)

Debt service requirements to maturity are as follows:

Year Ended June 30,	Sewer Revenue Bonds - Series A Principal	Interest	Total
2026	$ 74,000	$ 91,545	$ 165,545
2027	78,000	88,400	166,400
2028	81,000	85,085	166,085
2029	85,000	81,643	166,643
2030	88,000	78,030	166,030
2031-2035	505,000	330,395	835,395
2036-2040	629,000	213,010	842,010
2041-2044	614,000	66,598	680,598
Totals	$ 2,154,000	$ 1,034,705	$ 3,188,705

NOTE 7 SPECIAL ASSESSMENT DISTRICT

The District acts as agent for the property owners of the Villa Verona Assessment District in collecting assessments, forwarding the collections to the assessment bond holders, and initiating foreclosure proceedings when required. The District is not obligated in any manner for the repayment of the special assessment debt. At June 30, 2025, the Villa Verona Assessment District had $114,000 in bonds payable.

NOTE 8 COMPENSATED ABSENCES

The District calculated the liability for compensated absences using pay rates in effect at the end of the reporting period and includes salary-related payments (such as the employer's share of Social Security and Medicare taxes) that are directly and incrementally associated with payments made for compensated absences.

The following is a summary of changes in the compensated absences liability for the year ended June 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Vacation Leave	$ 33,108	$ 9,466	$ -	$ 42,574	$ -
Sick Leave	26,968	60,186	-	87,154	-
Total	$ 60,076	$ 69,652	$ -	$ 129,728	$ -

The compensated absences liability is reported in the proprietary fund financial statements.

The District has not made any significant changes to its compensated absences policies during the year.

NOTE 9 DEFERRED COMPENSATION PLANS

The District offers its full-time employees two deferred compensation plans created in accordance with Internal Revenue Code 457. The plans are available to all District employees, which permits them to defer a portion of their salary until future years. Employees may participate in both plans; however, the District will only contribute to the PERS 457 Plan. This contribution amounts to 2% of the employee's salary only if the employee is matching 2% into the PERS 457 Plan, effective July 1, 2019. The PERS 457 Plan and District match began July 1, 2008. Amounts credited to deferred compensation are deposited in savings or other type of investment accounts with Voya, Nationwide, and PERS. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributed to those amounts, property, or rights are held in trust for the exclusive benefit of the plan participants and their beneficiaries. As required by GASB Statement 32, the District does not meet the criteria for inclusion of plan assets within its financial statements and has, therefore, excluded the plan assets from the accompanying financial statements.

The following is a summary of plan activity for the year ended June 30, 2025

	2025
Market Value - July 1	$ 556,841
Employee Contributions	16,538
Employer Contributions	16,539
Plan Earnings/(Losses)	73,792
Withdrawals/Fees	(16,608)
Market Value - June 30	$ 647,102

NOTE 10 DEFINED BENEFIT PENSION PLAN

Plan Description

The District approved a contract with the Board of Administration, California Public Employees' Retirement System (PERS) on March 16, 2004, which began May 1, 2004. The District is required to make a monthly contribution to PERS to include actuarial valuations of prior and future years of service of each employee. All eligible District employees participate in PERS. The District is required to participate in a PERS cost-sharing, multiple-employer defined benefit retirement plan, since the District had less than 100 active members. PERS acts as a common investment and administrative agent for various local and state governmental agencies within the state.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple employer defined benefit pension plan (Plan) which is administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and local government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2025, are summarized as follows:

Hire Date	Prior to January 1, 2014	On or After January 1, 2014
Benefit formula	2.7 % @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55	62-67
Monthly benefits as % of eligible compensation	2.0 to 2.7 %	1.0 to 2.5 %
Required employee contributions	8%	8%
Required employer contributions rates	27.80%	11.40%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Contributions (Continued)

For the year ended June 30, 2025, the contributions recognized as part of pension expense for the Plan was as follows:

Contributions - Employer	$	249,351

As of June 30, 2025, the District reported net pension liability of $1,640,524 for its share of the net pension liability of the Plan. The District’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2025, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024, rolled forward to June 30, 2025, using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for the Plan as of June 30, 2025 and 2024, were as follows:

Proportion:	June 30, 2024	0.03378%
Proportion:	June 30, 2025	0.03392%
Change-Increase (Decrease)		0.00014%

For the year ended June 30, 2025, the District recognized pension expense of $141,253. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Change in Assumptions	$ 42,165	$ -
Difference between Expected and Actual Experience	141,838	5,534
Difference Between Expected and Actual Investment Earnings	94,443	-
Difference Between Employer's Contributions and Proportionate Share of Contributions	136,291	-
Change in Employer's Proportion	128,185	256,677
Contributions Subsequent to the Measurement Date	249,351	-
Total	$ 792,273	$ 262,211

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Contributions (Continued)

The $249,351 which is reported as contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows:

Measurement Periods Ended June 30:	Deferred Outflows (Inflows) of Resources
2026	$ 9,687
2027	294,634
2028	8,754
2029	(32,364)
Thereafter	-
Total:	$ 280,711

Actuarial Assumptions

The total pension liabilities in the June 30, 2024 actuarial valuations were determined using the following actuarial assumptions for the Plans:

Valuations Date	June 30, 2024
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Projected Salary Increase	Varies by Entry Age and Service (1)
Investment Rate of Return	6.90% (2)

(1) Depending on entry age and service
(2) Net of pension plan investment expenses, including inflation

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The table below reflects long-term expected real rates of return by asset class. The rate of return was calculated using the capital marked assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10[1]
Global Equity - Cap-Weighted	30.00%	4.54%
Global Equity - Non-Cap-Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-Backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

[1]An expected inflation of 2.30% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at the CalPERS’ website under the GASB 68 section.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date using the discount rate of 6.90%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage point higher (7.90%) than the current rate:

	Discount Rate -1% 5.90%	Current Discount Rate 6.90%	Discount Rate +1% 7.90%
Net Pension Liability	$ 2,260,448	$ 1,640,524	$ 1,130,235

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of CalPERS which can be located at https://www.calpers.ca.gov/page/forms-publications.

NOTE 11 RESTRICTED NET POSITION

The District has restricted a portion of its net position to segregate funds restricted for use by external sources as follows:

	2025
Restricted for Capacity Capital Outlay	$ 1,357,494
Restricted for Rural Development Loan Surcharge	163,351
Restricted for Bond Debt Reserve	116,957
Total Restricted Net Position	$ 1,637,802

NOTE 12 RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. It is the District's policy to transfer the risk that may arise from these and other events through the purchase of commercial insurance. Over the past three years, no loss settlements have exceeded insurance coverage amounts.

NOTE 13 JOINT POWERS AGREEMENT

On March 29, 1973, the District, the City of Oroville, and the Thermalito Water and Sewer District entered into a Joint Exercise of Powers Agreement that reorganized its governing board and created an independent Agency known as the Sewerage Commission – Oroville Region (SC-OR) as investment. The Fair Market Value is not materially different from cost.

Two members (only one with voting powers) of the SC-OR's Board of Commissioners are appointed by each member entity. SC-OR's operating and capital budgets are funded by user charges for sewage treatment services provided to the residents of each member entity. Each member entity is responsible for billing, collecting, and remitting SC-OR's user charges applicable to their separate residents.

SC-OR's separate financial statements may be obtained by contacting it's administrative offices at:

P.O. Box 1350
Oroville, CA 95965

Noted below is the summarized financial information of the SC-OR as of June 30, 2025, which is the latest report available at the time these financial statements were prepared:

	June 30, 2025
Total Assets	$ 49,404,016
Deferred Outflows	815,728
Total Liabilities	(6,088,073)
Deferred Inflows	(147,873)
Net Position	$ 43,983,798
Total Revenues	$ 10,465,798
Total Expenses	(4,334,140)
Change in Net Position	$ 6,131,658

REQUIRED SUPPLEMENTARY INFORMATION

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2025

	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
District's Proportion of the Net Pension Liability/(Asset)	0.015690%	0.020923%	0.020923%	0.020130%	0.037684%	0.037060%
Districts Proportionate Share of the Net Pension Liability/(Asset)	$ 976,118	$ 1,003,745	$ 1,158,278	$ 1,272,892	$ 1,420,199	$ 1,484,215
District's Covered-Employee Payroll	$ 505,421	$ 475,618	$ 553,431	$ 579,643	$ 574,942	$ 580,970
District's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	193.13%	211.04%	209.29%	219.60%	247.02%	255.47%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's total Net Pension Liability	81.15%	62.66%	59.79%	71.76%	77.69%	67.91%

	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
District's Proportion of the Net Pension Liability/(Asset)	0.01365%	0.06360%	0.02587%	0.03378%	0.03392%
Districts Proportionate Share of the Net Pension Liability/(Asset)	$ 1,537,423	$ 1,207,586	$ 1,210,350	$ 1,207,586	$ 1,640,524
District's Covered-Employee Payroll	$ 555,130	$ 391,853	$ 411,477	$ 425,698	$ 567,897
District's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	276.95%	308.17%	294.15%	283.67%	288.88%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's total Net Pension Liability	59.41%	57.40%	67.24%	60.53%	77.97%

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30, 2025

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Actuarially Determined Contribution	$ 128,957	$ 137,556	$ 130,420	$ 145,114	$ 150,275	$ 175,489
Contributions in Relation to the Actuarially Determined Contribution	(128,957)	(130,422)	(138,431)	(145,114)	(150,275)	(175,489)
Contribution Deficiency (Excess)	$ -	$ 7,134	$ (8,011)	$ -	$ -	$ -
Covered Employee Payroll	$ 505,421	$ 475,618	$ 553,431	$ 579,643	$ 574,942	$ 580,970
Contributions as a Percentage of Covered-Employee Payroll	25.51%	27.42%	27.57%	25.04%	26.14%	30.21%
Valuation date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Actuarially Determined Contribution	$ 185,178	$ 193,343	$ 213,259	$ 221,048	$ 249,351
Contributions in Relation to the Actuarially Determined Contribution	(185,178)	(193,343)	(213,259)	(221,048)	(249,351)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Employee Payroll	$ 555,130	$ 391,853	$ 411,477	$ 425,698	$ 567,897
Contributions as a Percentage of Covered-Employee Payroll	33.36%	49.34%	51.83%	51.93%	43.91%
Valuation date	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024

OTHER SUPPLEMENTARY INFORMATION

LAKE OROVILLE PUBLIC UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION – BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues:			
Sewer Service Charges	$ 1,903,642	$ 1,861,202	$ (42,440)
Pumping Charges	135,200	134,313	(887)
Connection Fees	-	2,702	2,702
Special Assessment - Kelly Ridge	45,000	46,139	1,139
Total Operating Revenues	2,083,842	2,044,356	(39,486)
Operating Expenses:			
Salaries and Wages	812,325	773,395	38,930
Employee Benefits	459,009	299,075	159,934
Professional Services	138,760	149,482	(10,722)
Insurance	57,415	124,756	(67,341)
Utilities	105,350	106,122	(772)
Services and Supplies	190,655	136,254	54,401
Training, Memberships, and Fees	75,400	26,015	49,385
Operations and Maintenance	146,850	62,273	84,577
Fuel, Oil, Grease and Auto	28,650	37,556	(8,906)
Depreciation (Non-Cash Budgeted Item)	556,000	668,373	(112,373)
Total Operating Expenses	2,570,414	2,383,301	187,113
Net Operating Income	(486,572)	(338,945)	147,627
Nonoperating Revenues (Expenses):			
Taxes	426,637	599,015	172,378
Interest Income and Late Fees	-	506,642	506,642
Capacity Charges	-	28,885	28,885
Rural Development Loan Surcharges	370,440	363,168	(7,272)
SC-OR Regional Facility Charge	-	(26,552)	(26,552)
Miscellaneous	-	2,425	2,425
Bond Interest Expense	(94,562)	(91,545)	3,017
Total Nonoperating Revenues (Expenses)	702,515	1,382,038	679,523
Other Budgeted Items:			
Capitalized Costs	(1,100,780)	(128,843)	971,937
Bond Principal Payments	(71,000)	(71,000)	-
Total Other Budgeted Items	(1,171,780)	(199,843)	971,937
Net Income (Loss) - Budgetary Basis	$ (955,837)	$ 843,250	$ 1,799,087

Reconciliation of Budgetary Increase in Net Assets to GAAP Increase in Net Position

Net Income (Loss) - Budgetary Basis	$ 843,250
Equipment Purchases Capitalized	128,843
Bond Principal Payments	71,000
Change in Net Position (GAAP)	$ 1,043,093

SingletonAuman PC
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Clay E. Singleton, CPA, EA, MSAcc
Rita Antram, CPA, EA
Caryn Doyle, EA
Ashley Gorbet-Dandois, EA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Lake Oroville Area Public Utilities District
Oroville, California

Members of the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Controller General of the United States, the financial statements of the business-type activities, and each major fund of the Lake Oroville Area Public Utility as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the district's basic financial statements and have issued our report thereon dated June 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of the Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

SingletonAuman, PC

SingletonAuman, PC
Susanville, California
June 30, 2026

LAKE OROVILLE ARE PUBLIC UTILITY DISTRICT
COMBINED SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

EXECUTIVE SUMMARY

The District provides sewer services to residential and commercial customers within the boundaries of the District.

The quality of the District's internal controls is dependent upon oversight by the Board Members. Also, due to the limited number of employees of the District, there is an inability to ideally segregate the custody of and accountability for District assets in the manner generally required for model systems of internal accounting controls. A summary of the auditors' results follows:

1. **Type of Auditors' Report on Financial Statements:** Unmodified.
2. **Internal Control Findings:** 1 Material Weakness
3. **Material Noncompliance Noted:** None.

LAKE OROVILLE ARE PUBLIC UTILITY DISTRICT
COMBINED SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Material Weaknesses

Finding 2025-001 Weaknesses in Internal Controls

Criteria Upon Which Audit Finding is Based (Legal Citation)
AU-C Section 265: Communicating Internal Control Matters Identified in an Audit

Finding (Condition)

The District did not have accurate financial statement amounts during the fiscal year, and through the course of much of the audit. Management relied upon the auditor for material adjustments, and also made material adjustments to the financial statements during the conclusion of the audit.

In our testing of cash reconciliations, we noted that the District was unable to reconcile cash receipts posted from the utility billing system to monthly bank deposits during the year. Consequently, a manual adjustment was posted monthly to the monthly bank reconciliation to force the balances to reconcile.

Amount of Questioned Cost, How Computed and Prevalence

None.

Effect

These control deficiencies can potentially make the District more vulnerable to misappropriation of funds and material financial statement misstatement.

Cause

Similar to other small special districts, the District did not have policies and procedures in place to ensure that complete and accurate financial statements were completed during the year.

For cash reconciliations, there was no reconciliation process available between the interaction of the clearinghouse cash receipts, and the accounting software used by District. Consequently, the recording of deposits at the end of the month could not be reconciled to the cash received by the clearinghouse, due to timing differences in receipt of payments.

The District had not developed and fully implemented policies and procedures to address these deficiencies.

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
COMBINED SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

MATERIAL WEAKNESS

Finding 2025-001 Significant Deficiencies in Internal Controls (continued)

Recommendation

We recommend the District consider the cost benefit of hiring an accountant familiar with GAAP or hiring an independent CPA firm to compile financial statements in conformity with GAAP.

We recommend the District be aware of the inability to reconcile cash completely because of the utility billing process, and keep aware of available technical assistance or other solutions that can decrease the amount of manual reconciliation adjustments.

District's Response

The District contracted with a CPA Firm at the end of the fiscal year to address the weaknesses noted in this finding. Additionally, the District was able to identify the cash reconciliation/utility billing process errors during the course of the audit, so that this will not effect the 2026/2027 fiscal year.

LAKE OROVILLE ARE PUBLIC UTILITY DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2025

Finding 2024-001

Similar to many other small special districts, the District does not have policies and procedures in place to ensure that complete and accurate financial statements, MD&A and footnote disclosures are prepared in accordance with GAAP prior to the annual audit. Management relies upon the auditor to recommend footnote disclosures for the financial statements and to prepare adjusting journal entries for approval in order to report financial information in accordance with GAAP.

Status

Partially Implemented – See Finding 2025-001

Finding 2024-002

In our testing of cash reconciliations, we noted that the District is unable to reconcile cash receipts posted from the utility billing system to monthly bank deposits. Consequently, a manual adjustment is posted monthly to the monthly bank reconciliation to force the balances to reconcile.

In our testing of the cash disbursements, we noted that transactions did not have proper prior authorization, two signatures on checks were missing when required, and there was no documented verification of the receipt of goods and services for the amounts being disbursed.

In our testing of payroll transactions we noted that the District did not maintain documentation verifying the correct amounts to be withheld from employee paychecks for health insurance, such as an annual renewal form or other authorization by the employee.

Status

Partially Implemented – See Finding 2025-001

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
CORRECTIVE ACTION PLAN
JUNE 30, 2025

Person Monitoring Corrective Action Plan
David Goyer, General Manager

Finding 2025-001 Weaknesses Internal Controls

Finding (Condition)

The District did not have accurate financial statement amounts during the fiscal year, and through the course of much of the audit. Management relied upon the auditor for material adjustments, and also made material adjustments to the financial statements during the conclusion of the audit.

In our testing of cash reconciliations, we noted that the District was unable to reconcile cash receipts posted from the utility billing system to monthly bank deposits during the year. Consequently, a manual adjustment was posted monthly to the monthly bank reconciliation to force the balances to reconcile.

Corrective Action Planned

The District contracted with a CPA Firm at the end of the fiscal year to address the weaknesses noted in this finding. Additionally, the District was able to identify the source of the cash reconciliation/utility billing process errors during the course of the audit, so that this will not affect the 2026/2027 fiscal year.

Expected Completion Date

June 30, 2026

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager’s Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #5 – SC-OR COMMISSIONER’S REPORT

Please see the attached SC-OR August 2026 Agenda and Flow Reports (if available).

Sewerage Commission - Oroville Region
Monthly Flows Report - Jul-26

Name of Agency	Total Monthly Flow (MG)	Average Daily Flow (MG)	Total Peak Flow (MG)	Date of Peak Flow
SC-OR Plant Total 19252 EDU's	73.829	2.382	5.38	7/6/2026
Lake Oroville Area P.U.D. 6,268.88 EDU's	22.639	0.730	1.35	7/17/2026
Thermalito Water and Sewer 2,978.00 EDU's	12.004	0.387	1.10	7/6/2026
City of Oroville 9,965 EDU's	39.186	1.264	3.58	7/24/2026

EDU % remaining 6.995%

Ground water dewatering 0.000 Million gallons

Septage Pumpers 0.0440 Million Gallons/Month

Monthly Rainfall 0.00 Total Inches/Month

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #6 – BOARD MEMBERS' MANAGER AND STAFF COMMENTS

- FOS Victorino
  - Field Operations Activity Report – See attached.

- District Engineer Sauers
  - Update Design and Engineering 2026 / 2027 Capital Improvement Projects

- GM Goyer
  - One complaint 2647 Oro-Garden Ranch Rd.
  - One service disconnection, 3076 Myers St.
  - Two new service inquiries, existing single-family residence on Fairhill and possible new multi-family housing on Baggett Marysville.
  - California Elections Code section 10515 (b) Vacant Director's Position, deadline October 9th 2026
  - Director's electronic devices.
  - Maintenance Building 3515 Myers St.

FIELD OPERATIONS ACTIVITY REPORT
AUGUST 2026

Meetings and Compliance

- California State Water Resource Control Board: The District reported ZERO Sanitary Sewer Overflows for the month of August 2026.
- California Water Environmental Association: In-person training hosted by the Yuba City Wastewater Agency; Grades 2 & 3 Certification Preparation & Professional Development Workshop.
- Special District Risk Management Association: Various on-line safety and training workshops.
- Monthly safety and compliance inspections completed at all District facilities including equipment and vehicles.

General Updates

- Crane Avenue Housing Development: 4 additional laterals installed, total as of date; 10 of 12.
- Villa Verona Line Regrading Project #35: This was an in-house project to re-slope a lateral line with flow issues in the Villa Verona STEP System. This affected 4 effluent tanks to drain properly to a mainline. The Field Operations Staff work diligently to open trench approximately 300'LF of existing pipeline for regrading to achieve proper flow. As of date the 4 affected effluent tanks are operational as intended.

I & I Related Work

- No I&I related work to report.

New Permits and Connections, Estimates, Inquiries or Termination

- 3076 Myers Street: Inquiry about terminating sewer connection by property owner, information given for the process.
- 4066 Hildale Avenue: New annexation process initiated for sewer connection due to failed septic system.
- Inquiry for new sewer connection due to a failed septic system for a "detached" parcel within the Copley Acres Annexation area.

Lines Cleaned

- 6790' LF Cleaned with the Eco 900 Combo-Vac Truck.

CCTV Inspections

- No inspections to report.

Maintenance, Repairs and Misc

- 1200' LF Villa Verona main line flushed.

- Maintenance Shop: Cyclone fence tension wire behind the shop repaired/replaced.
- Bobcat Excavator and Cat Track Loader: Routine greasing and track adjustments completed.
- Annual State Interceptor Mainline cleaning started in Kelly Ridge.
- Surplus vehicles: All District logos removed in preparation of auction.
- Bidwell Canyon L3 & Hanging Tree L/S': 24volt Uninterrupted Power Supplies installed to assist with power loss during outages.
- Mooretown L/S: Metal canopy installed over the control panels to provide added protection from weather events.
- Bi-annual maintenance completed at Bidwell Canyon L1 and L2 L/S' Gorman-Rupp pumps.

Service Calls/O.T. Call Outs- Primary

- Service Calls: No primary system service calls to report.
- OT Call Outs: 3- One emergency USA 811 locate request of District facilities and 2 for Hanging Tree L/S, software issues with the XiO SCADA system losing programming. Currently, issues have been resolved.

Service Calls/O.T. Call Outs- Villa Verona -

- Service Calls: 6 tanks serviced and pumped
- OT Call Outs: 1 Tank serviced and pumped

Fuel Consumption

- Gasoline: 270.3gals (Last Mo. 312.3gals)
- Diesel: 309.7gals (Last Mo. 325.4gals)

Ft = Feet
gals = gallons
I&I = Infiltration & Intrusion
LF = Linear Feet
LS = Lift Station
OT = Overtime

Prepared By:
Vince Victorino
Field Operations Supervisor

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #7 – FUTURE AGENDA ITEMS

Lake Oroville Area Public Utility District
1960 Elgin Street ♦ Oroville, CA 95966

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: September 8, 2026

Agenda Item #8 – RECESS AND RECONVENE AT 3515 MYERS STREET OROVILLE, CA

The Board will recess and reconvene at 3515 Myers Street to inspect the facility for possible renovation and repairs.