

**Lake Oroville Area Public
Utility District**



**Fiscal Year 2021-2022
Budget Report**

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

2021-2022 BUDGET

Adopted June 8, 2021

Board of Directors: **William P. Sharman, President**

Angela D. Mastelotto, Vice President

Dee G. Fairbanks

Robert T. Marciniak

Richard Salvucci

General Manager: **Scott McCutcheon**

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

2021-2022 BUDGET EXHIBITS

EXHIBIT A: 2021-2022 FISCAL YEAR REPORT AND BUDGET

EXHIBIT B: 2021-2022 CAPITAL EXPENDITURES

EXHIBIT C: 2021-2022 DISTRICT REVENUE

EXHIBIT D: 2021-2022 WAGES WORKSHEET

EXHIBIT E: 2021-2022 TOTAL WAGES AND BENEFITS

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EXHIBIT G: 2021-2022 MANAGER COMPENSATION SCHEDULE

2021-2022 BUDGET REPORT

Lake Oroville Area Public Utility District's 2021-2022 Fiscal Year Budget includes the following service charges and fees. District fees have changed this fiscal year. All stated changes have been incorporated into the budget computations.

Primary Sewer Service Charge

Primary Sewer Service Charge changes to a monthly fee of \$21.31

Step System Sewer Service Charge

Step System Sewer Service Charge changes to a monthly fee of \$26.16

RD Debt Service

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

Pumping Charge

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

Kelly Ridge Pumping Charge

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

SC-OR Service Charge

SC-OR Service Charge changes to a monthly fee of \$17.85

Connection Fee

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

Capacity Charge

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

SC-OR Regional Facility Charge

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

2021-2022 BUDGET REPORT

Operating Revenue

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

Office Salaries and Wages

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

Field Salaries and Wages

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

Office Employee Benefits

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

Field Employee Benefits

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

Professional Services

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

Utilities

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

Services and Supplies

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

2021-2022 BUDGET REPORT

Training/Memberships/Fees

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

Repairs and Maintenance

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

Fuel, Oil, Grease, & Auto

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

Net Operating Revenue/Expense

This is the summation of Operating Revenues less Operating Expenses.

Non-Operating Revenue

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

Non-Operating Expense

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

Net Non-Operating Revenue/Expense

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

Net Income

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

2021-2022 BUDGET REPORT

Capitalized Expenditure

Budget account capitalized expenditures include design and construction costs for select capital projects, a new field operations utility truck, jet-rodder, and new office software.

Debt Service Principal Payments

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

Budgeted Net Cash Flow

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

Depreciation

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

Change in Net Position

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

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT FY 2021-2022 BUDGET

| | 2021-22 Totals | 2020-21 Totals | % Change |
|--|-------------------|-------------------|-----------------|
| Operating Revenue | | | |
| Sewer Service | 1,592,439 | 1,518,415 | 4.88% |
| Pumping Charge | 127,322 | 128,084 | -0.59% |
| Kelly Ridge Pumping Charge (Taxes) | 45,000 | 45,000 | 0.00% |
| Total Operating Revenue | 1,764,762 | 1,691,499 | 4.33% |
| Operating Expenses | | | |
| Office Salaries & Wages | 276,062 | 272,836 | 1.18% |
| Field Salaries & Wages | 388,775 | 343,019 | 13.34% |
| Office Emp Benefits | 236,881 | 222,073 | 6.67% |
| Field Emp Benefits | 279,991 | 237,133 | 18.07% |
| Professional Services | 205,400 | 172,800 | 18.87% |
| Utilities | 99,216 | 94,492 | 5.00% |
| Services and Supplies | 104,700 | 106,195 | -1.41% |
| Training/Memberships/Fees | 72,300 | 82,700 | -12.58% |
| Operations and Maintenance | 121,615 | 105,635 | 15.13% |
| Fuel, Oil, Grease, & Auto | 65,500 | 55,500 | 18.02% |
| Total Operating Expense | 1,850,440 | 1,692,382 | 9.34% |
| Net Operating Revenue/Expense | (85,678) | (884) | 9596.29% |
| Non-Operating Revenue | | | |
| Interest | 6,377 | 25,498 | -74.99% |
| RD Debt Service | 362,149 | 362,149 | 0.00% |
| Other Income | - | - | 0.00% |
| Current Sec Tax | 280,000 | 230,000 | 21.74% |
| Current Unsec Tax | 12,000 | 12,000 | 0.00% |
| Other Taxes | 3,600 | 3,600 | 0.00% |
| Total Non-Operating Revenue | 664,126 | 633,247 | 4.88% |
| Non-Operating Expenses | | | |
| Loan Interest | 101,533 | 104,125 | -2.49% |
| Unanticipated Expense | - | - | |
| Total Non-Operating Expenses | 101,533 | 104,125 | -2.49% |
| Net Non-Operating Revenue/Expense | 562,593 | 529,122 | 6.33% |
| Net Income | 476,915 | 528,238 | -9.72% |
| Balance Sheet Cash Reconciling Items | | | |
| Capitalized Expenditure | 802,835 | 646,673 | 24.15% |
| Debt Service Principal Payments | 62,000 | 60,000 | 3.33% |
| Budgeted Net Cash Flow | (387,921) | (178,434) | 117.40% |
| Depreciation - Non Cash | 564,000 | 564,000 | 0.00% |
| Change in Net Position | (951,921) | (742,434) | 28.22% |

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2021-2022 BUDGET
CAPITAL EXPENDITURES**

| CAPITILIZED EXPENDITURES | 2021-22 Totals |
|--|-------------------|
| <u>OFFICE</u> | |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| | \$ - |
| Total Office Capital Expenditures | \$ - |
| <u>FIELD</u> | |
| SHORING | \$ 6,500 |
| 2" - 8" LAT LAUNCH CAMERA HEAD | \$ 6,723 |
| JET RODDER | \$ 260,000 |
| FORD F-250 WITH UTILITY BOX | \$ 50,000 |
| H/T & R/O GENERATOR DISPLAY | \$ 11,660 |
| MOORETOWN FLYGT PUMP OVERHAUL | \$ 16,672 |
| OPHIR SCHOOL PIPE BURST | \$ 109,980 |
| L2 LIFT STATION PUMP UPGRADES | \$ 302,500 |
| MT IDA LINE REPLACEMENT | \$ 45,300 |
| Total Field Capital Expenditures | \$ 809,335 |
| Total Capitalized Expenditures | \$ 809,335 |

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2021-2022 BUDGET
REVENUE**

| OPERATING REVENUE | QTY | Rate | 2021-22 Totals | 2020-21 Totals | % Change |
|------------------------------------|------------|-------------|-----------------------|-----------------------|-----------------|
| Primary System Sewer Service | 5859 | \$21.31 | \$ 1,498,263 | \$ 1,428,443 | 4.89% |
| Step System Sewer Service | 300 | \$26.16 | \$ 94,176 | \$ 89,972 | 4.67% |
| Pumping Charge | 1070 | \$5.85 | \$ 75,114 | \$ 75,956 | -1.11% |
| Kelly Ridge Pumping Charge | 1291 | \$3.37 | \$ 52,208 | \$ 52,127 | 0.16% |
| Kelly Ridge Pumping Charge (Taxes) | 1514 | \$29.72 | \$ 45,000 | \$ 45,000 | 0.00% |
| Total Operating Revenue | | | \$ 1,764,762 | \$ 1,691,499 | 4.33% |

| NON-OPERATING REVENUE | QTY | Rate | 2021-22 Totals | 2020-21 Totals | % Change |
|------------------------------------|------------|-------------|-----------------------|-----------------------|-----------------|
| RD Debt Service | 6159 | \$4.90 | \$ 362,149 | \$ 362,149 | 0.00% |
| Interest Income | 1 | LS | \$ 6,377 | \$ 25,498 | -74.99% |
| Current Secured Taxes | 1 | LS | \$ 280,000 | \$ 230,000 | 21.74% |
| Current Unsecured Taxes | 1 | LS | \$ 12,000 | \$ 12,000 | 0.00% |
| Prior Unsecured Taxes | 1 | LS | \$ - | \$ - | |
| Other Taxes | 1 | LS | \$ 3,600 | \$ 3,600 | 0.00% |
| Total Non-Operating Revenue | | | \$ 664,126 | \$ 633,247 | 4.88% |

| | | | | | |
|----------------------|--|--|---------------------|---------------------|--------------|
| Total Revenue | | | \$ 2,428,887 | \$ 2,324,746 | 4.48% |
|----------------------|--|--|---------------------|---------------------|--------------|

| PASS THROUGH LIABILITIES | QTY | Rate | 2019-20 Totals | 2019-20 Totals | % Change |
|------------------------------------|------------|-------------|-----------------------|-----------------------|-----------------|
| SC-OR Service Charge | 6159 | \$17.85 | \$ 1,319,258 | \$ 1,171,442 | 12.62% |
| Villa Verona Assesment | 1 | LS | \$ 19,204 | \$ 19,204 | 0.00% |
| Total Operating Liabilities | | | \$ 1,338,462 | \$ 1,190,646 | 12.41% |

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2021-2022 BUDGET
WAGES**

| Employee | | 2021-22 Totals | 2020-21 Totals | % Change | |
|---------------------------|---|-------------------|-------------------|-----------|--------|
| 7/1/2021 | Manager SM | Reg Hrs | 2,080 | 2,088 | -0.38% |
| \$49.59 | | Salary | \$ 103,153 | \$ 98,241 | 5.00% |
| | | Sui Wages | \$ 7,000 | \$ 7,000 | |
| | | Vehicle Allowance | \$ 8,430 | \$ 7,258 | |
| 7/1/2021 | Office Clerk DK | Reg Hrs | 2,080 | 2,088 | -0.38% |
| \$32.45 | | Salary | \$ 67,496 | \$ 64,376 | 4.85% |
| | | Sui Wages | \$ 7,000 | \$ 7,000 | |
| 7/1/2021 | Bookkeeper/Clerk of the Board KH | Reg Hrs | 2,080 | 2,088 | 0.00% |
| \$26.01 | | Salary | \$ 54,123 | \$ 49,082 | 10.27% |
| | | Sui Wages | \$ 7,000 | \$ 7,000 | |
| 7/1/2021 | Admin. Aide-Part Time AR | Reg Hrs | \$ 1,040 | \$ 1,044 | -0.38% |
| \$15.25 | | Salary | \$ 15,860 | \$ 14,936 | 6.19% |
| | | Sui Wages | \$ 7,000 | \$ 7,000 | |
| 7/1/2021 | Board | Reg Hrs | 2,080 | 2,088 | -0.38% |
| \$400.00 | | Salary | \$ 24,000 | \$ 24,000 | 0.00% |
| | | Sui Wages | \$ 24,000 | \$ 24,000 | |
| Total Office Wages | | \$ 273,062 | \$ 269,836 | 1.20% | |
| Office W/C Wages | | \$ 273,062 | \$ 269,836 | 1.20% | |

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2021-2022 BUDGET
WAGES**

| Employee | | 2021-22 Totals | 2020-21 Totals | % Change | |
|---------------------|---------------------------------|----------------|----------------|-----------|--------|
| 7/1/2021 \$26.33 | Utility Worker II RB | Reg Hrs | 2,080 | 2,088 | -0.38% |
| | | Hourly Rate | | | |
| | | Regular Wages | \$ 54,776 | \$ 49,852 | 9.88% |
| | | Standby | \$ 1,600 | \$ 1,600 | 0.00% |
| | | OT Hours | \$ 112 | \$ 112 | 0.00% |
| | | OT Rate | | | |
| | | Overtime Wages | \$ 4,424 | \$ 4,011 | 10.30% |
| | | Total Wages | \$ 60,800 | \$ 55,463 | 9.62% |
| | | WC Wages | \$ 59,473 | \$ 54,260 | 9.61% |
| 7/1/2021 \$32.42 | Foreman/ FOT ?? | Reg Hrs | 2,080 | 2,088 | -0.38% |
| | | Hourly Rate | | | |
| | | Regular Wages | \$ 67,434 | \$ 64,477 | 4.58% |
| | | Standby | \$ 1,700 | \$ 1,700 | 0.00% |
| | | OT Hours | \$ 112 | \$ 112 | 0.00% |
| | | OT Rate | | | |
| | | Overtime Wages | \$ 5,447 | \$ 5,188 | 4.99% |
| | | Total Wages | \$ 74,580 | \$ 71,365 | 4.50% |
| | | WC Wages | \$ 72,946 | \$ 69,809 | 4.49% |
| 7/1/2021 \$27.34 | Utility Worker II LT | Reg Hrs | 2,080 | 2,088 | -0.38% |
| | | Hourly Rate | | | |
| | | Regular Wages | \$ 56,868 | \$ 52,368 | 8.59% |
| | | Standby | \$ 1,625 | \$ 1,625 | 0.00% |
| | | OT Hours | \$ 112 | \$ 112 | 0.00% |
| | | OT Rate | | | |
| | | Overtime Wages | \$ 4,593 | \$ 4,214 | 9.01% |
| | | Total Wages | \$ 63,086 | \$ 58,207 | 8.38% |
| | | WC Wages | \$ 61,708 | \$ 56,943 | 8.37% |

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2021-2022 BUDGET
WAGES**

| Employee | | 2021-22 Totals | 2020-21 Totals | % Change | |
|------------------------------|---|-------------------|-------------------|---------------|---------|
| 7/1/2021 \$19.67 | Utility Worker I ?? | Reg Hrs | 2,080 | - | 0.00% |
| | | Hourly Rate | | | |
| | | Regular Wages | \$ 40,919 | \$ - | 0.00% |
| | | Standby | \$ - | \$ - | 0.00% |
| | | OT Hours | \$ - | \$ - | 0.00% |
| | | OT Rate | \$ - | \$ - | |
| | | Overtime Wages | \$ - | \$ - | 0.00% |
| | | Total Wages | \$ 40,919 | \$ - | 0.00% |
| Sui Wages | \$ 7,000 | \$ - | | | |
| WC Wages | \$ 40,919 | \$ - | 0.00% | | |
| 7/1/2021 \$19.67 | Utility Worker I SP | Reg Hrs | 2,080 | 2,088 | -0.38% |
| | | Hourly Rate | | | |
| | | Regular Wages | \$ 40,919 | \$ 51,744 | -20.92% |
| | | Standby | \$ 1,600 | \$ 1,600 | 0.00% |
| | | OT Hours | \$ 116 | \$ 116 | 0.00% |
| | | OT Rate | | | |
| | | Overtime Wages | \$ 3,423 | \$ 4,312 | -20.62% |
| | | Total Wages | \$ 45,942 | \$ 57,656 | -20.32% |
| Sui Wages | \$ 7,000 | \$ 7,000 | | | |
| WC Wages | \$ 44,915 | \$ 56,363 | -20.31% | | |
| 7/1/2021 \$44.60 | Field Operations Supervisor DS | Reg Hrs | 2,080 | 2,088 | -0.38% |
| | | Salary | \$ 92,768 | \$ 89,648 | 3.48% |
| | | Sui Wages | \$ 7,000 | \$ 7,000 | |
| Total Field Wages | | \$ 378,095 | \$ 332,339 | 13.77% | |
| Total Field W/C Wages | | \$ 372,729 | \$ 327,022 | 13.98% | |
| Total Wages | | \$ 651,157 | \$ 602,175 | 8.13% | |
| Total WC Wages | | \$ 645,791 | \$ 596,857 | 8.20% | |
| Total Standby Wages | | \$ 6,525 | \$ 6,525 | 0.00% | |
| Total OT Wages | | \$ 17,887 | \$ 17,724 | 0.92% | |
| Total Annual SUI Wages | | \$ 94,000 | \$ 94,000 | 0.00% | |

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
FY 2021-2022 BUDGET
SCHEDULE OF ANNUAL WAGES WITH BENEFITS, TAXES, INSURANCE**

| | 2021-22 Totals | 2020-21 Totals | % Change |
|---|---------------------|---------------------|---------------|
| COMPENSATION | | | |
| Hours per month | 2080 | 2088 | -0.4% |
| Office Wages | \$ 249,062 | \$ 245,836 | 1.31% |
| Director Wages | \$ 24,000 | \$ 24,000 | 0.00% |
| Field Regular Wages | \$ 353,683 | \$ 308,090 | 14.80% |
| Field Standby Wages | \$ 6,525 | \$ 6,525 | 0.00% |
| Field Overtime | \$ 17,887 | \$ 17,724 | 0.92% |
| TOTAL WAGES | \$ 651,157 | \$ 602,175 | 8.13% |
| BENEFITS/TAXES/INSURANCE | | | |
| OFFICE OPERATIONS | | | |
| Office Benefits | \$ 169,501 | \$ 158,970 | 6.62% |
| Director Benefits | \$ 5,000 | \$ 5,000 | 0.00% |
| Payroll Tax & Insurance | \$ 29,143 | \$ 29,037 | 0.37% |
| OFFICE OPERATIONS SUBTOTAL | \$ 203,644 | \$ 193,007 | 5.51% |
| FIELD OPERATIONS | | | |
| Field Benefits | \$ 241,282 | \$ 202,986 | 18.87% |
| Payroll Tax & Insurance | \$ 70,846 | \$ 62,129 | 14.03% |
| FIELD OPERATIONS SUBTOTAL | \$ 312,128 | \$ 265,115 | 17.73% |
| Total Benefits & Payroll Tax/Insurance | \$ 515,772 | \$ 458,122 | 12.58% |
| Total Wages, Benefit, & Tax/Insurance | \$ 1,166,929 | \$ 1,060,297 | 10.06% |

TITLE: EMPLOYEE COMPENSATION SCHEDULE

NUMBER: 2151

ADOPTED: February 8, 1984

AMENDED: June 8, 2021

EFFECTIVE: July 1, 2021

| Range No. | Position Title | Step A | Step B | Step C | Step D | Step E | Step F** | |
|-----------|--|--------|--------|--------|--------|--------|----------|-------|
| | | | | | | | Low | High |
| 1 | Administrative Aide - Part Time & Temporary | 14.00 | 14.25 | 14.50 | 14.75 | 15.00 | 15.25 | 15.25 |
| 2 | Administrative Aide - Reg. | 16.65 | 17.49 | 18.37 | 19.27 | 20.24 | 21.24 | 21.24 |
| 3 | Utility Worker - Part Time & Temporary | 14.00 | 14.50 | 15.00 | 15.50 | 16.00 | 16.50 | 16.50 |
| 4 | Utility Worker I | 19.67 | 20.64 | 21.67 | 22.74 | 23.88 | 25.07 | 25.07 |
| 5 | Utility Worker II | 20.64 | 21.67 | 22.74 | 23.88 | 25.07 | 26.33 | 26.33 |
| 6 | Acct Receivable Clerk - Reg Operator - Part Time | 21.60 | 22.63 | 23.73 | 24.86 | 26.05 | 27.30 | 27.30 |
| 7 | Operator - Regular Office Clerk | 23.17 | 24.33 | 25.56 | 26.83 | 28.16 | 29.57 | 32.45 |
| 8 | Field Operations Technician Accounts Receivable Clerk II Accounts Payable Clerk II | 23.59 | 24.78 | 26.02 | 27.34 | 28.70 | 30.14 | 30.14 |
| 9 | Foreman-F.O.T. | 25.40 | 26.68 | 28.02 | 29.41 | 30.88 | 32.42 | 32.42 |
| 10 | Bookkeeper/Clerk of the Board | 26.02 | 27.34 | 28.70 | 30.14 | 31.64 | 33.23 | 33.23 |
| 11 | Field Operations Supervisor | 32.99 | 34.56 | 36.22 | 37.95 | 39.77 | 41.76 | 44.60 |

***Step F can include merit and cola increases which are calculated differently for each employee in Step F*

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

General Manager Compensation Schedule Conditions:

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

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

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

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

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

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

Adjust schedule as needed when annual budget dictates.