

LAKE OROVILLE AREA

PUBLIC UTILITY DISTRICT

2018-2019 BUDGET

Adopted June 12, 2018

Board of Directors: **Dee G. Fairbanks, President**

T.C. Dennis, Vice President

Larry E. Kuehner

John J. Kiely

Bill Sharman

General Manager: **Dwayne Long**

***LAKE OROVILLE AREA
PUBLIC UTILITY DISTRICT***

2018-2019 BUDGET EXHIBITS

- EXHIBIT A: 2018-19 FISCAL YEAR REPORT AND BUDGET**
- EXHIBIT B: 2018-19 CAPITAL EXPENDITURES**
- EXHIBIT C: 2018-19 DISTRICT REVENUE**
- EXHIBIT D: 2018-19 WAGES WORKSHEET**
- EXHIBIT E: 2018-19 TOTAL WAGES AND BENEFITS**
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2018-2019 BUDGET REPORT

Lake Oroville Area Public Utility District's 2018-2019 Fiscal Year Budget includes the following service charges and fees. District fees remain unchanged this fiscal year. All stated changes have been incorporated into the budget computations.

Primary Sewer Service Charge

Primary Sewer Service Charge remains unchanged for a monthly fee of \$16.55

Step System Sewer Service Charge

Step System Sewer Service Charge remains unchanged for a monthly fee of \$21.40

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 \$4.35

Kelly Ridge Pumping Charge

Kelly Ridge Pumping Charge remains unchanged for a monthly fee of \$1.87

SC-OR Service Charge

SC-OR Service Charge remains unchanged for a monthly fee of \$11.85

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

2018-2019 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.

2018-2019 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.

2018-2019 BUDGET REPORT

Capitalized Expenditure

Budget account capitalized expenditures includes the purchase of a field pickup and replacement of the scada server hardware and 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 Budget Fiscal Year 2018-2019

	2018-19 Totals	2017-18 Totals	% Change
Operating Revenue			
Sewer Service	1,238,805	1,219,342	1.60%
Pumping Charge	85,137	84,100	1.23%
Kelly Ridge Pumping Charge (Taxes)	45,000	45,000	0.00%
Total Operating Revenue	1,368,942	1,348,442	1.52%
Operating Expenses			
Office Salaries & Wages	277,232	274,154	1.12%
Field Salaries & Wages	334,408	325,560	2.72%
Office Emp Benefits	212,449	205,281	3.49%
Field Emp Benefits	195,915	183,714	6.64%
Professional Services	134,050	133,300	0.56%
Utilities	84,708	84,708	0.00%
Services and Supplies	93,859	94,590	-0.77%
Training/Memberships/Fees	67,085	42,385	58.28%
Operations and Maintenance	77,555	97,830	-20.72%
Fuel, Oil, Grease, & Auto	69,350	62,985	10.11%
Total Operating Expense	1,546,611	1,504,506	2.80%
Net Operating Revenue/Expense	(177,670)	(156,064)	13.84%
Non-Operating Revenue			
Interest	9,504	2,850	233.47%
RD Debt Service	360,797	355,034	1.62%
Current Sec Tax	230,000	230,000	0.00%
Current Unsec Tax	12,000	12,000	0.00%
Other Taxes	3,600	3,600	0.00%
Total Non-Operating Revenue	615,901	603,484	2.06%
Non-Operating Expenses			
Loan Interest	108,991	112,370	-3.01%
Total Non-Operating Expenses	108,991	112,370	-3.01%
Net Non-Operating Revenue/Expense	506,910	491,114	3.22%
Net Income	329,240	335,051	-1.73%
Balance Sheet Cash Reconciling Items			
Capitalized Expenditure	87,000	80,000	8.75%
Loan Principal	55,000	52,000	5.77%
Debt Service Principal Payments	55,000	52,000	5.77%
Budgeted Net Cash Flow	187,240	203,051	-7.79%
Depreciation - Non Cash	500,436	508,776	-1.64%
Change in Net Position	(313,196)	(305,725)	2.44%

2018-2019
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
CAPITAL EXPENDITURES

CAPITILIZED EXPENDITURES	2018-19 Totals
<u>OFFICE</u>	
	\$ -
	\$ -
	\$ -
Total Office Capital Expenditures	\$ -
<u>FIELD</u>	
Field Supervisor Pickup	\$ 37,000
Scada Server & Software Replace	\$ 50,000
	\$ -
Total Field Capital Expenditures	\$ 87,000
Total Capitalized Expenditures	\$ 87,000

2018-2019

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT REVENUE

OPERATING REVENUE	QTY	Rate	2018-19 Totals	2017-18 Totals	% Change
Primary System Sewer Service	5789	\$16.55	\$ 1,149,695	\$ 1,130,233	1.72%
Step System Sewer Service	347	\$21.40	\$ 89,110	\$ 89,110	0.00%
Pumping Charge	1079	\$4.35	\$ 56,324	\$ 55,332	1.79%
Kelly Ridge Pumping Charge	1284	\$1.87	\$ 28,813	\$ 28,768	0.16%
Kelly Ridge Pumping Charge (Taxes)	1515	\$29.70	\$ 45,000	\$ 45,000	0.00%
Total Operating Revenue			\$ 1,368,942	\$ 1,348,442	1.52%

NON-OPERATING REVENUE	QTY	Rate	2018-19 Totals	2017-18 Totals	% Change
RD Debt Service	6136	\$4.90	\$ 360,797	\$ 355,034	1.62%
Interest Income	1	LS	\$ 9,504	\$ 2,850	233.47%
Current Secured Taxes	1	LS	\$ 230,000	\$ 230,000	0.00%
Current Unsecured Taxes	1	LS	\$ 12,000	\$ 12,000	0.00%
Prior Unsecured Taxes	1	LS	\$ -	\$ -	
Other Taxes	1	LS	\$ 3,600	\$ 3,600	0.00%
Total Non-Operating Revenue			\$ 615,901	\$ 603,484	2.06%

Total Revenue			\$ 1,984,843	\$ 1,951,927	1.69%
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PASS THROUGH LIABILITIES	QTY	Rate	2018-19 Totals	2017-18 Totals	% Change
SC-OR Service Charge	6136	\$11.85	\$ 872,539	\$ 858,604	1.62%
Villa Verona Assesment	1	LS	\$ 19,204	\$ 19,204	0.00%
Total Operating Liabilities			\$ 891,743	\$ 877,808	1.59%

BUDGET 2018-2019
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
WAGES

Employee		2018-19 Totals	2017-18 Totals	% Change
7/1/2017 \$53.60	Manager Reg Hrs	2,080	2,080	0.00%
	Salary	\$ 111,496	\$ 111,496	0.00%
	Sui Wages	\$ 7,000	\$ 7,000	
7/1/2017 \$31.95	Cindy Q. Reg Hrs	2,080	2,080	0.00%
	Salary	\$ 66,456	\$ 65,166	1.98%
	Sui Wages	\$ 7,000	\$ 7,000	
7/1/2017 \$28.45	Darin K. Reg Hrs	2,080	2,080	0.00%
	Salary	\$ 59,176	\$ 58,011	2.01%
	Sui Wages	\$ 7,000	\$ 7,000	
7/1/2017 \$12.60	Ann R. Reg Hrs	1,040	1,040	0.00%
	Salary	\$ 13,104	\$ 12,480	5.00%
	Sui Wages	\$ 7,000	\$ 7,000	
7/1/2017 \$400.00	Board Reg Hrs	2,080	2,080	0.00%
	Salary	\$ 24,000	\$ 24,000	0.00%
	Sui Wages	\$ 24,000	\$ 24,000	
Total Office Wages		\$ 274,232	\$ 271,154	1.14%
Office W/C Wages		\$ 274,232	\$ 271,154	1.14%
7/1/2017 \$21.03	Robert B. Reg Hrs	2,080	2,080	0.00%
	Hourly Rate			
	Regular Wages	\$ 43,742	\$ 41,683	4.94%
	Standby	\$ 1,625	\$ 1,625	0.00%
	OT Hours	\$ 112	\$ 112	0.00%
	OT Rate			
	Overtime Wages	\$ 3,533	\$ 3,367	4.94%
	Total Wages	\$ 48,900	\$ 46,675	4.77%
	Sui Wages	\$ 7,000	\$ 7,000	
Workers Comp Wages	\$ 47,841	\$ 45,665	4.76%	
7/1/2017 \$31.19	Tyler C. Reg Hrs	2,080	2,080	0.00%
	Hourly Rate			
	Regular Wages	\$ 64,875	\$ 63,606	1.99%
	Standby	\$ 1,625	\$ 1,625	0.00%
	OT Hours	\$ 124	\$ 112	10.71%
	OT Rate			
	Overtime Wages	\$ 5,801	\$ 5,137	12.92%
	Total Wages	\$ 72,302	\$ 70,369	2.75%
	Sui Wages	\$ 7,000	\$ 7,000	
Workers Comp Wages	\$ 70,561	\$ 68,828	2.52%	

BUDGET 2018-2019
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
WAGES

Employee		2018-19 Totals	2017-18 Totals	% Change
7/1/2017 \$22.08	Levi T. Reg Hrs	2,080	2,080	0.00%
	Hourly Rate			
	Regular Wages	\$ 45,926	\$ 43,742	4.99%
	Standby	\$ 1,625	\$ 1,625	0.00%
	OT Hours	\$ 112	\$ 120	-6.67%
	OT Rate			
	Overtime Wages	\$ 3,709	\$ 3,785	-2.01%
	Total Wages	\$ 51,261	\$ 49,153	4.29%
	Sui Wages	\$ 7,000	\$ 7,000	
	Workers Comp Wages	\$ 50,148	\$ 48,017	4.44%
7/1/2017 \$29.00	Vince V. Reg Hrs	2,080	2,080	0.00%
	Hourly Rate			
	Regular Wages	\$ 60,320	\$ 59,155	1.97%
	Standby	\$ 1,625	\$ 1,625	0.00%
	OT Hours	\$ 112	\$ 120	-6.67%
	OT Rate			
	Overtime Wages	\$ 4,872	\$ 5,119	-4.83%
	Total Wages	\$ 66,817	\$ 65,899	1.39%
	Sui Wages	\$ 7,000	\$ 7,000	
	Workers Comp Wages	\$ 65,355	\$ 64,364	1.54%
7/1/2017 \$40.60	Dan S. Reg Hrs	2,080	2,080	0.00%
	Salary	\$ 84,448	\$ 82,784	2.01%
	Sui Wages	\$ 7,000	\$ 7,000	
Total Field Wages		\$ 323,728	\$ 314,880	2.81%
Total Field W/C Wages		\$ 318,353	\$ 309,657	2.81%
Total Wages		\$ 597,960	\$ 586,034	2.04%
Total W/C Wages		\$ 592,585	\$ 580,811	2.03%
Total Standby Wages		\$ 6,500	\$ 6,500	0.00%
Total OT Wages		\$ 17,916	\$ 17,409	2.91%
Total Annual SUI Wages		\$ 87,000	\$ 87,000	0.00%
Field Hourly Rate				

2018-2019
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
SCHEDULE OF ANNUAL WAGES WITH BENEFITS, TAXES, INSURANCE

	2018-19 Totals	2017-18 Totals	% Change
COMPENSATION			
Hours per month	2080	2080	
Office Wages	\$ 250,232	\$ 247,154	1.25%
Director Wages	\$ 24,000	\$ 24,000	0.00%
Field Regular Wages	\$ 299,312	\$ 290,971	2.87%
Field Standby Wages	\$ 6,500	\$ 6,500	0.00%
Field Overtime	\$ 17,916	\$ 17,409	2.91%
TOTAL WAGES	\$ 597,960	\$ 586,034	2.04%

BENEFITS

OFFICE OPERATIONS			
Office Benefits	\$ 144,567	\$ 139,025	3.99%
Director Benefits	\$ 11,600	\$ 11,600	0.00%
Payroll Tax & Insurance	\$ 27,945	\$ 27,399	1.99%
OFFICE OPERATIONS SUBTOTAL	\$ 184,112	\$ 178,024	3.42%
FIELD OPERATIONS			
Field Benefits	\$ 172,320	\$ 160,724	7.22%
Payroll Tax & Insurance	\$ 50,832	\$ 49,147	3.43%
FIELD OPERATIONS SUBTOTAL	\$ 223,153	\$ 209,871	6.33%

Total Benefits & Payroll Tax/Insurance	\$ 407,265	\$ 387,894	4.99%
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Total Wages, Benefit, & Tax/Insurance	\$ 1,005,224	\$ 973,928	3.21%
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TITLE: EMPLOYEE COMPENSATION SCHEDULE

NUMBER: 2151

ADOPTED: February 8, 1984

AMENDED: June 12, 2018

EFFECTIVE: July 1, 2018

Range No.	Position Title	Step A	Step B	Step C	Step D	Step E	Step F
1	Administrative Aide - Part Time & Temporary	10.50	12.00	12.60	13.23	13.89	14.59
2	Administrative Aide - Reg.	16.17	16.98	17.83	18.71	19.65	20.62
3	Utility Worker - Part Time & Temporary	12.00	12.60	13.23	13.89	14.59	15.32
4	Utility Worker I	18.19	19.08	20.04	21.03	22.08	23.18
5	Utility Worker II	19.08	20.04	21.03	22.08	23.18	24.35
5	Acct Receivable Clerk - Reg Operator - Part Time	20.00	21.00	22.06	23.17	24.32	25.53
6	Office Clerk	21.42	22.50	23.63	24.81	26.04	28.45
7	Operator - Regular Computer Support Specialist/ Administrative Assistant	21.81	22.91	24.06	25.28	26.54	29.00
8	Foreman-F.O.T.	23.49	24.67	25.91	27.19	28.55	31.19
9	Bookkeeper/Clerk of the Board	24.05	25.27	26.53	27.88	29.26	31.95
10	Field Operations Supervisor	30.57	32.10	33.71	35.39	37.16	40.60

TITLE: GENERAL MANAGER COMPENSATION SCHEDULE		NUMBER: 2152					
ADOPTED: July 10, 2012		AMENDED: June 13, 2017					
		EFFECTIVE: July 1, 2017					
Range No.	Position Title	Step A July 1, 2012	Step B July 1, 2013	Step C July 1, 2014	Step D July 1, 2015	Step E July 1, 2016	Step F July 1, 2017
1	General Manager	87,360	91,728	96,314	101,130	106,187	111,496

General Manager Compensation Schedule Conditions:

Manager's date of hire, December 13, 2011

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

General Manager Compensation Schedule is computed figuring a 5% increase per step.

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

No COLA increase between the date of hire and July 1, 2017 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.