



PARADISE IRRIGATION DISTRICT

6332 Clark Road, Paradise CA 95969 | Phone (530)877-4971 | Fax (530)876-0483

AGENDA

**Paradise Irrigation District
Finance Committee Meeting
6332 Clark Road, Paradise, CA 95969
(Directors Dan Hansen & Bob Prevot - Chairperson)**

WEDNESDAY, AUGUST 14, 2019 – 10:30 AM

- ❖ *The Board of Directors is committed to making its meetings accessible to all citizens. Any persons requiring a special accommodation to participate, is requested to contact the District Secretary at 530-877-4971, extension 2039 at least 48 hours in advance of the meeting.*

1. Opening

2. Public Participation

This is the time for members of the audience to present items not on the Agenda. No action can be taken on these items, but they may be placed on future agendas for consideration. Comments should be limited to a maximum of five minutes duration. If more time is needed, communication may be submitted in writing to committee members, or placed on the agenda for a future committee meeting.

3. Review of Draft Budget for Fiscal Year 2019/2020

4. Adjournment

DRAFT BUDGET

FISCAL YEAR 2019/20

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PARADISE IRRIGATION DISTRICT

5325 Black Olive Drive • P.O. Box 2409 • Paradise, California 95967 • 530.877.4971 • Fax 530.876.0483

August 7, 2019

Paradise Irrigation District
Board of Directors

The Paradise Irrigation District management and staff are pleased to present the Paradise Irrigation District's 2019/20 Budget. The basic purpose of the budgetary process is to present the District's expenditure plan and to identify the resources and revenues available to fund it. The Budget is intended to support the priorities and policies of the Board of Directors as reflected in the District's Mission Statement and its Strategic Business Plan.

History

Paradise Irrigation District (PID) is located in the Town of Paradise, a Northern California foothill community. PID was originally formed in 1916 under the laws of the California Irrigation Code for the purpose of providing agricultural water to approximately 1,000 ridge residents.

The PID treatment plant draws water from Magalia Reservoir and Paradise Lake, which hold a total of 12,293 acre-feet of water. The water treatment plant was constructed in 1995 and provides an average flow of 7.5 million gallons per day. Runoff is collected over 11.2 square miles of watershed located north and east of Magalia Reservoir. This watershed is heavily forested and sparsely populated, which contributes to the high-quality water we serve. The District has a ground water source at the D Tank reservoir site. This well produces up to 450 gallons per minute (gpm) and is used as a drought management and emergency source.

In November of 2018, the Camp Fire swept through the town of Paradise, which destroyed approximately 90% of the standing structures within the PID service area. During the Camp Fire, a significant number of service laterals and service meters burned and melted, causing the distribution system to depressurize. The depressurization caused contaminants, especially volatile organic compounds (VOC's), to be sucked into the service lines. Following the Camp Fire, the distribution system was repressurized, leaks were repaired, and initial water quality testing began. The initial water quality testing discovered VOC contamination in multiple samples. Immediately, a "do not drink" water advisory was initiated by PID. The full extent of the contamination is not yet known, but the system needs to be confirmed to be clear of contaminants and determined safe for use in distributing drinking water. A Water System Recovery Plan has been developed to accomplish this task, which is currently under way. The Water System Recovery Plan involves extensive testing of all service laterals serving standing structures, and testing/repair of service laterals to burned lots to return potable water to all PID customers.

As a result of the damage caused by the Camp Fire, PID has incurred significant losses in revenue and a substantial portion of its customer base. PID had grown to serve approximately 10,500 municipal and residential/commercial customers before the Camp Fire. As of the beginning of the fiscal year, approximately 8,500 of those customers remain. The District continues to process customer requests to permanently disconnect service as customers continue to receive lost mail and finalize their housing decisions. Customers remaining with PID are currently being charged a reduced service charge set at the readiness to serve rate. Additionally, customers have not been charged consumption fees since the fire due to the damage and contamination to the District's distribution system. Customers will continue to be charged the reduced readiness to serve charge and will not be charged for water consumption until they are returned to potable service.

District Structure and Leadership

The Paradise Irrigation District is an independent special district that operates under the authority of Division 11 of the California Water Code. The District was formed by an election in 1916 and is governed by a five-member Board of Directors, elected at-large from within the District's service area. Each Director must reside in the division they represent.

The District is an enterprise special district recognized as a local government of the State of California. Our primary source of revenue is generated through the sales of our product, drinking water for our customers. Although we are a not for profit governmental organization, we collect revenues in excess of our needs for operational purposes to invest in capital projects within our District that support our Mission Statement. The Board of Directors, similar to the Board of Directors for a corporation, works through the District Manager, similar to a CEO of a corporation, to ensure the District is operated in a businesslike manner.

A major difference between how our District operates as opposed to privately owned water companies, such as Del Oro Water Company and California Water Service Company, is that our Directors are elected from within the community and decisions on rate structures and capital improvement projects are made at our local level. Rates are adjusted by the Board of Directors under the process established by Prop 218. Private Water Companies are regulated by the Public Utility Commission and receive rate approvals for operational and capital expenditures from this state-operated entity.

The District Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The District currently employs thirty-four full time employee positions organized in departments led by supervisors and managers who are responsible for their budgets and expenses. The District's Board of Directors meet on the third Wednesday of each month at 6:30 p.m. Meetings are publicly noticed and citizens are encouraged to attend.

Government

<u>Director</u>	<u>Division</u>	<u>Title</u>	<u>Term Expires</u>
Dan Hansen	1	Director	Dec-2020
William L. Kellogg	2	Director	Dec-2022
Shelby Boston	3	Director	Dec-2020
Marc Sulik	4	President	Dec-2022
Bob Prevot	5	Vice-President	Dec-2020

Directors Responsibilities

The Board establishes policy on the District's mission, goals, and operations. The Board delegates authority to the District Manager to handle day-to-day operations. The Board sets water rates and charges and establishes an annual budget; makes contracts and employs labor as necessary to carry out the purposes of the District. The Board also has the authority to adopt policies that have the force of law within the District.

The Board reviews staff recommendations and decides which policies should be implemented in light of the District's mission and goals. The Board also monitors the implementation of its policies.

Our Mission

The Mission of the Paradise Irrigation District is to excel in the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost-effective manner with service that meets or exceeds the expectation of our customers.

District Services

The District provides water service to approximately eight thousand five hundred customer connections within its service area, which is located in the Foothills of Butte County. The District encompasses the Town of Paradise, California and some unincorporated areas of Butte County, California.

Budget Control

The budget for the District is kept on a cash accounting basis. Revenues are recognized when received and expenses are recognized when paid.

The District is operated as a single enterprise fund, which is an accounting entity with a self-balancing set of accounts established to record the financial position and results that pertain to a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to reserves while meeting operating expenses for current revenues. Enterprise funds account for operations that provide services on a continuous basis and, in the case of the Paradise Irrigation District, are almost entirely financed by revenues derived from user charges.

Budget Process

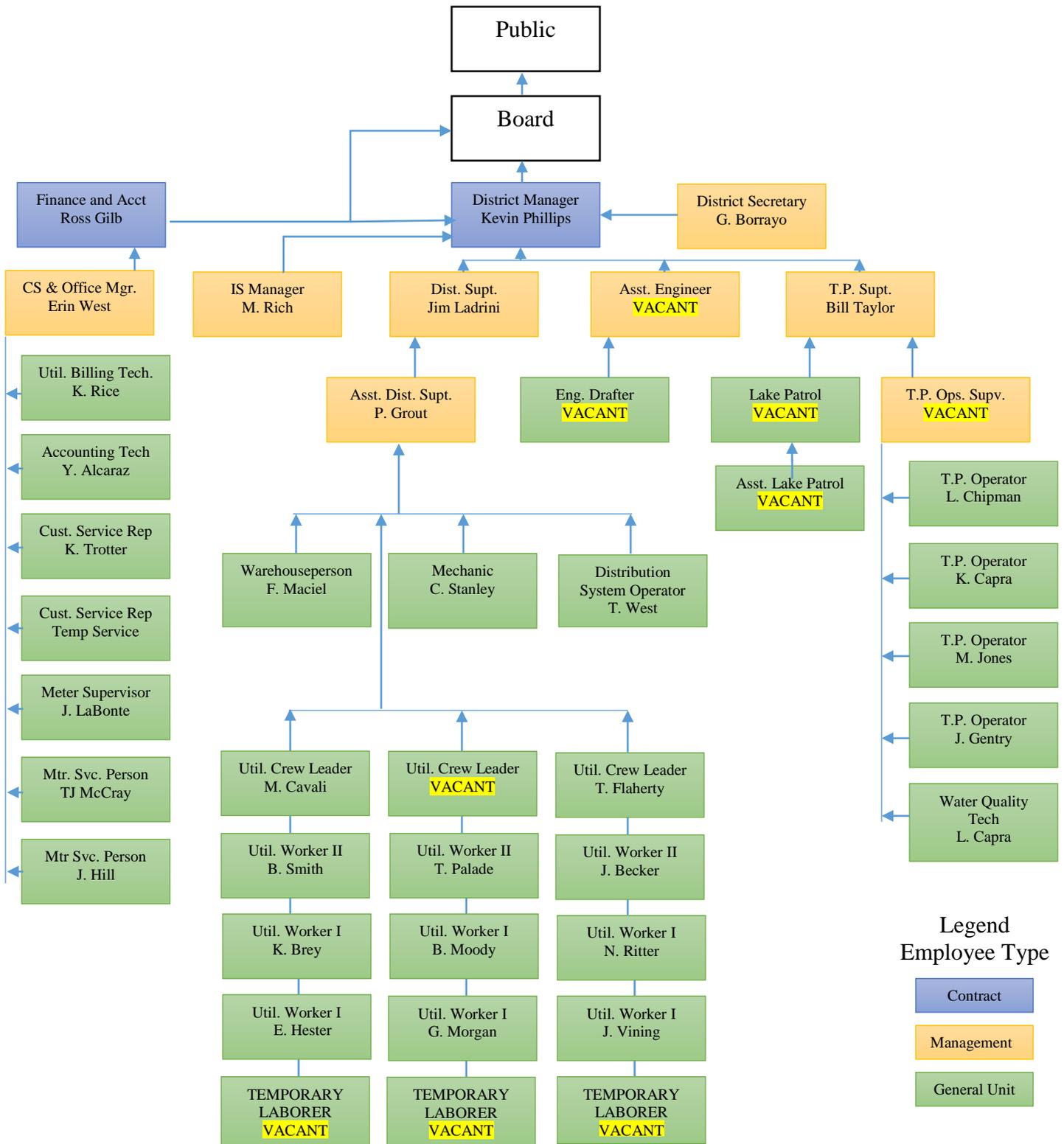
The Board of Directors annually adopts an operating and capital budget each fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. Each year the District adopts a budget allowing it to continue to operate in the most efficient manner.

The District's budget process was developed with a series of goals and objectives in mind. These goals and objectives are developed from the Strategic Business Plan adopted by the Board of Directors. Throughout the year, the Board of Directors provides priorities and guidelines to the District Manager, the Finance and Accounting Manager, and other appropriate Staff. These priorities and other future issues and concerns are then discussed with department Supervisors and Managers during regular staff meetings. Once goals and objectives for the upcoming year are identified, consistent with those communicated by the Board of Directors, the District Manager, and his staff then begin development of the District's budget. The Budget is developed to summarize the revenue and expenses at the beginning and continue to get more detailed as the Budget continues.

An increase in the Operating and Capital budget may result in rate increases. In order to minimize the impact on District's rates, expense requirements are scrutinized to achieve operating efficiencies that maintain or improve customer service at the same time.

This budget is intended to be used for feasibility and planning purposes only. Approval of this budget by the Board of Directors does not commit the District to a particular course of action, does not constitute approval of any "project" under CEQA, and does not foreclose consideration or possible adoption of alternatives to any project, including the no project alternative. The District will comply with CEQA and other applicable laws, to the extent required, prior to approval or implementation of any project described herein.

Paradise Irrigation District FY 2019/20 Budget Staffing Summary



Paradise Irrigation District
FY 2019/20 Budget
Budget Overview

Description	2018/19 Actual	2019/20 Budget	Changes from Actual 2018/19 to 2019/20 Budget	
Cash Balance				
REVENUES:				
Water Sales	\$ 5,365,105	\$ 2,301,554	\$ (3,063,551)	233%
Outside Water Sales	68,689	-	(68,689)	-100%
Other	652,634	719,240	66,606	91%
Interest	12,760	60,000	47,240	21%
Taxes - 1%	286,826	270,000	(16,826)	106%
FMV Gain/Loss - Securities	1,031	-	(1,031)	0%
Inc-Save-A-Can/Buy-A-Fish	747	-	(747)	-100%
Inc-Capacity Fees	35,008	-	(35,008)	-100%
Revenue - PFD	73,308	-	(73,308)	-100%
Total Revenues	6,496,107	3,350,794	(3,145,313)	194%
EXPENDITURES:				
Operating	4,990,364	5,311,705	321,341	94%
Pipeline	290,729	-	(290,729)	-100%
Debt Service	609,108	841,723	232,615	72%
PFD	8,414	-	(8,414)	-100%
Total Expenditures	5,898,615	6,153,427	254,813	96%
Increase/(Decrease) in Cash before Recovery, Debt Proceeds, and Capital Improvements	597,493	(2,802,633)	(3,400,126)	-469%
Debt Proceeds	-	-	-	0%
Increase/(Decrease) in Cash before Recovery and Capital Improvements	597,493	(2,802,633)	(3,400,126)	-469%
FEMA Reimbursements	1,217,402	2,625,000	1,407,598	46%
Insurance Proceeds	1,350,000	2,950,000	1,600,000	46%
State Funding	-	7,000,000	7,000,000	100%
Cash Available for Recovery/Capital Projects	2,567,402	12,575,000	10,007,598	
	3,164,895	9,772,367	6,607,472	309%
Capital/Recovery Projects	(2,378,529)	(3,425,000)	(1,046,471)	144%
Increase/(Decrease) in Cash	786,365	6,347,367	5,561,001	807%
Beginning Cash Balance	3,257,432	4,043,797		
Ending Cash Balance	4,043,797	10,391,164	6,347,367	257%

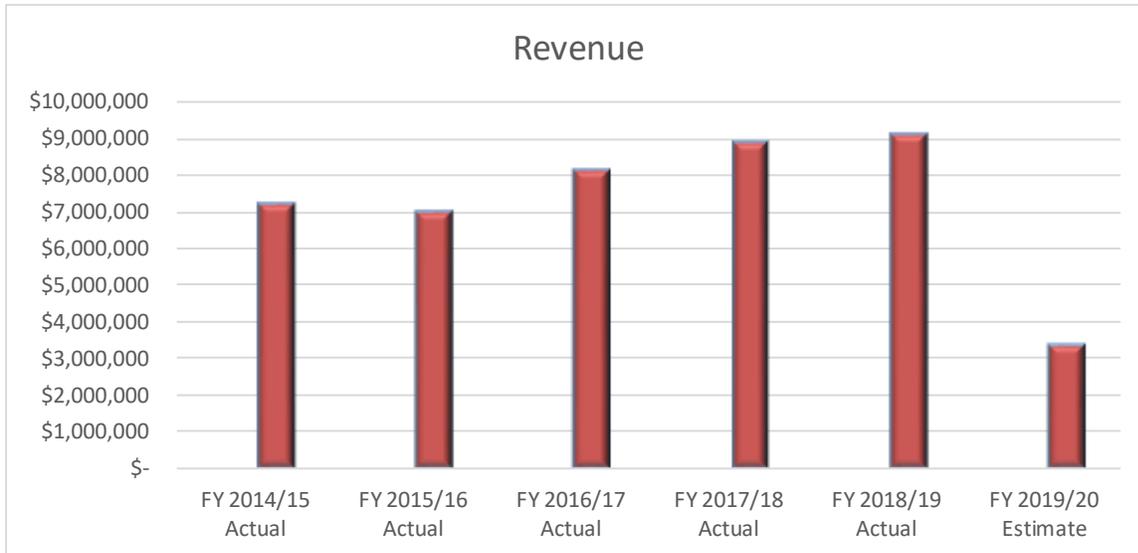
Paradise Irrigation District
 FY 2019/20 Budget
 Budget Overview

Description	2018/19 Actual	2018/19 Pre-Fire Budget	2018/19 Post-Fire Budget	2019/20 Budget
REVENUES:				
Water Sales	5,365,105	8,046,852	4,778,520	2,301,554
Outside Water Sales	68,689	111,183	68,689	-
Other	652,634	363,957	652,634	719,240
Interest	12,760	20,000	12,760	60,000
Taxes - 1%	286,826	240,000	240,000	270,000
FMV Gain/Loss - Securities	1,031	-	-	-
Inc-Save-A-Can/Buy-A-Fish	747	10,000	747	-
Inc-Capacity Fees	35,008	25,000	35,008	-
Revenue - PFD	73,308	120,000	120,000	-
Total Revenue	6,496,107	8,936,992	5,908,358	3,350,794
EXPENDITURES:				
Operating	4,990,364	5,318,014	5,318,014	5,311,705
Pipeline	290,729	992,489	992,489	-
Debt Service	609,108	963,307	963,307	841,723
Save a Can	-	10,000	10,000	-
PFD	8,414	200,000	191,586	-
Total Expenditures	5,898,615	7,483,810	7,475,396	6,153,427
Increase/(Decrease) in Cash before Recovery, Debt Proceeds, and Capital Improvements	597,493	1,453,182	(1,567,038)	(2,802,633)
Debt Proceeds	-	11,000,000	-	-
Increase/(Decrease) in Cash before Recovery and Capital Improvements	597,493	12,453,182	(1,567,038)	(2,802,633)
FEMA Reimbursements	1,217,402	-	1,217,402	2,625,000
Insurance Proceeds	1,350,000	-	1,350,000	2,950,000
State Funding	-	-	-	7,000,000
Cash Available for Recovery/Capital Projects	2,567,402	-	2,567,402	12,575,000
Cash Available for Recovery/Capital Projects	3,164,895	12,453,182	3,164,895	9,772,367
Capital/Recovery Projects	(2,378,529)	(13,045,000)	(2,378,529)	(3,425,000)
Increase/(Decrease) in Cash	786,365	(591,818)	786,365	6,347,367
Beginning Cash Balance	3,257,432	3,257,432	3,257,432	4,043,797
Ending Cash Balance	4,043,797	2,665,614	4,043,797	10,391,164

Paradise Irrigation District
 FY 2019/20 Budget
 Revenue Overview

Revenue Sources

The majority of the District's revenue is generated from water sales. Water sales are broken into two major categories, service charges and consumption charges. Historically, service charges account for approximately 64% of total water sales. Due to the contamination of the distribution system caused by the 2018 Camp Fire, the District does not plan to charge for water consumption during FY 2019/20. Customers will be charged the readiness to serve rate, currently set at \$21.49 per month, until restored to potable service. Once restored to potable service, customers will return to the standard service charge.



Other sources of revenue include 1% property taxes, outside water sales, backflow installation and testing, fire flow testing, recreation and boating permits, rental property income, investment income, and escrow fees. Total revenue for the past 5 years, compared to FY 2019/20 estimates is shown below.

Revenue losses projected for FY 2019/20 are the result of a reduced customer base, decreased service rate, and loss of water consumption revenue as a result of the Camp Fire. The substantial decrease in revenue is projected to be compensated by California State backfill funding, insurance proceeds, and FEMA reimbursements. Estimated California State backfill funding projections are based on the final state budget allocation of \$15 million for agencies affected by 2018 California State fires. PID staff has been continuously working with the California State Department of Finance to finalize the PID portion of the allocated funds, which is estimated to be \$7 million based on a one year backfill request. FEMA reimbursement projections are based on estimated eligible recovery related expenditures for the 2019/20 fiscal year. Eligible estimated expenditures include materials for distribution system repair, mutual aid, water sampling, and engineering costs. Insurance proceeds projections are based on funds estimated to be received for insurance claims, including business interruption and replacement cost of damaged equipment.

The following chart provides a summary of total projected revenues for FY 2019/20 compared to prior year estimate and three years of actual historical revenues.

Paradise Irrigation District
FY 2019/20 Budget
Revenue Summary

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Estimate	FY 2018/19 Actual	FY 2019/20 Estimate
<u>General Fund/Operating</u>					
Water - Service	4,397,207	4,871,781	5,148,252	3,755,354	2,295,054
Water - Consumption	2,629,210	3,070,573	2,833,600	1,587,485	-
Water - Fees & Adjustments	43,355	49,298	65,000	22,266	6,500
Outside Water Sales	110,874	115,728	111,183	68,689	-
Meter Revenue	31,915	15,225	10,000	265,156	511,300
Recreation & Boating Permits	38,814	39,789	29,707	22,778	10,000
Backflow Check	10,940	10,960	15,000	20,527	4,000
Rents	17,095	15,740	22,250	9,392	15,180
Revenue - Surplus Property	24,737	17,481	10,000	273,233	-
Escrow Fees	-	-	10,000	-	5,000
Annexation	2,140	546	-	-	-
Custom Work/PFD Reimbursement	94,780	200,000	150,000	15,125	173,760
Misc	52,591	30,602	117,000	46,424	-
Interest	-	-	1,600	-	-
Total Operating Income	7,453,658	8,437,722	8,523,592	6,086,428	3,020,794
<u>Special Revenue Fund</u>					
Capital Improvement Program					
Taxes - 1%	259,213	271,960	240,000	286,826	270,000
\$1 Surcharge for Capital Projects	-	-	-	-	-
Interest	34,783	11,326	18,400	12,760	60,000
FMV Gain/Loss - Securities	187	(514)	-	1,031	-
Inc-Capacity Fees	57,262	39,414	25,000	35,008	-
RDA Reimbursement	-	-	-	-	-
Grant	-	-	-	-	-
Inc-Save-A-Can/Buy-A-Fish	6,622	8,351	10,000	747	-
Total Capital Improvement	358,067	330,538	293,400	336,371	330,000
<u>Debt Service Fund</u>					
Inc-Assessment Res (PID Share)	193,420	1,756	-	-	-
Interest	6,907	-	-	-	-
Total Debt Service	200,327	1,756	-	-	-
<u>Recovery Proceeds</u>					
State Backfill Funding	-	-	-	-	7,000,000
FEMA Reimbursements	-	-	-	1,217,402	2,625,000
Insurance Proceeds	-	-	-	1,350,000	2,950,000
Total Recovery Proceeds	-	-	-	2,567,402	12,575,000
<u>PFD</u>					
Revenue - PFD	122,794	124,037	120,000	73,308	-
PFD - Interest Income	-	-	-	-	-
Total PFD	122,794	124,037	120,000	73,308	-
Total Revenue	8,134,846	8,894,053	8,936,992	9,063,509	15,925,794

Paradise Irrigation District
FY 2019/20 Budget
Operating Expenditure Information

Operating Budget

This section of the budget describes the individual department operating expenses from the context of the programs and services that each deliver. Programs and services are developed and adjusted annually to continue the advancement of the District's Strategic Plan. Short-term initiatives identified by the departments are included in the operating program budgets.

The District's operating budget funds day-to-day programs and functions and includes six main cost centers: Source of Supply, Security and Recreation, Water Treatment, Transmission and Distribution, Customer Service, and Administration. Major expense items in the operating program budget include salaries and benefits, materials and supplies, outside services, utilities, and insurance.

The majority of the District's operating expenses are salaries and benefits. Salaries and Benefits are 69% of the District's operating budget. As of the beginning of the fiscal year, the District employs 34 full-time employees. The District offers a quality benefit package to all full-time employees. The benefit package includes a defined contribution retirement plan, medical, dental and vision insurance for the employee and their family, life insurance, and long-term disability insurance. The District's retirement plan is defined contribution plan. The District contributes 9% of the employee's salary into their retirement plan every pay period. The District will also match up to 3% of the employee's voluntary retirement plan contribution. The projected operating cost for employees' salaries and benefits are based on the Memorandums of Understanding (MOU's) approved by the Board in 2014, however the MOU's are up for renegotiation in 2019.

The District's retirement plan is different than most California State government retirement plans. Those other State Government plans are called a defined benefit plan. Those plans give the employee a guaranteed annual payment after retirement based on years of service and salary. Those plans create an unknown liability for the government agency based on prior year returns from the account and based on the actuarial calculation.

Supplies and materials make up 15% of the operating budget. The main supplies and materials are water treatment chemicals and materials for distribution repairs.

Outside services make up 8% of the operating budget. The main outside services are legal services, annual auditing services, and equipment repairs.

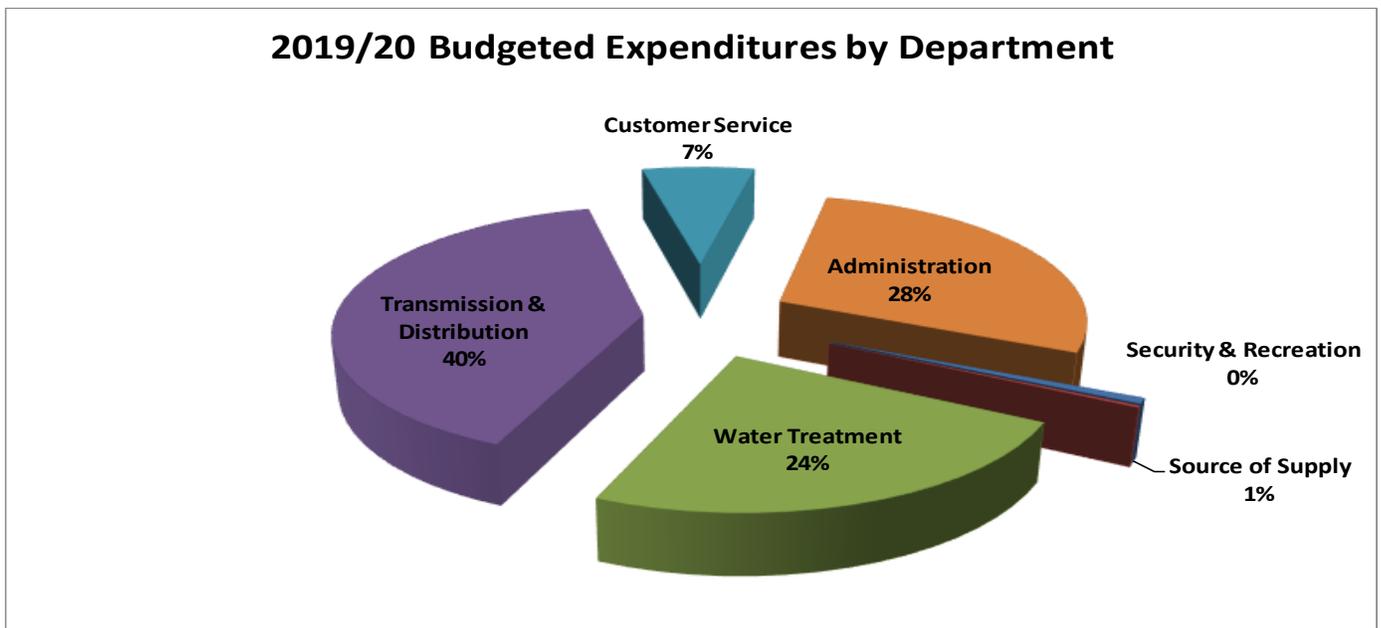
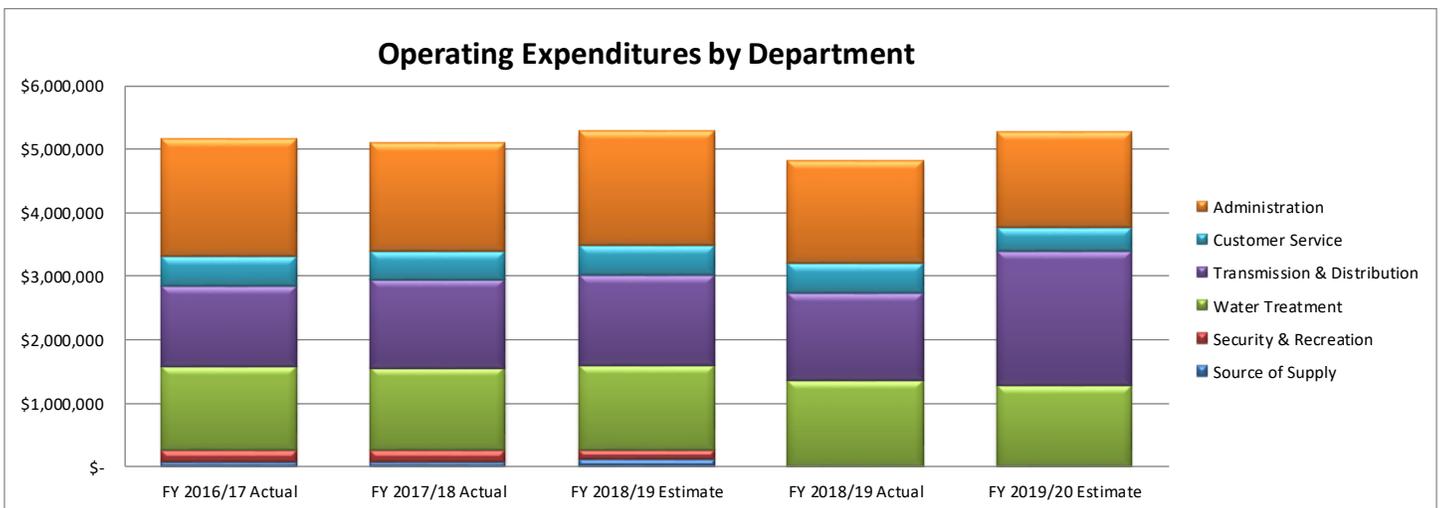
Utilities make up 6% of the operating budget and insurance makes up 2% of the operating budget.

The following charts provide a summary of budgeted operating expenses by department and by category.

Paradise Irrigation District
FY 2019/20 Budget
Operating Expenditure Summary

Operating Expenditures by Department

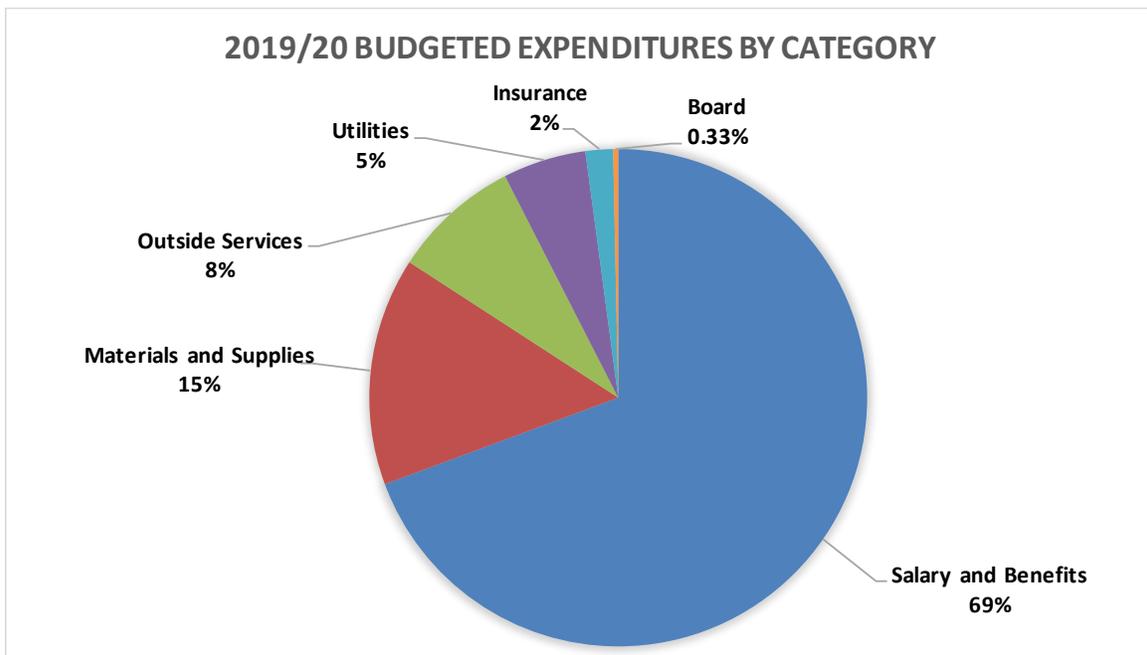
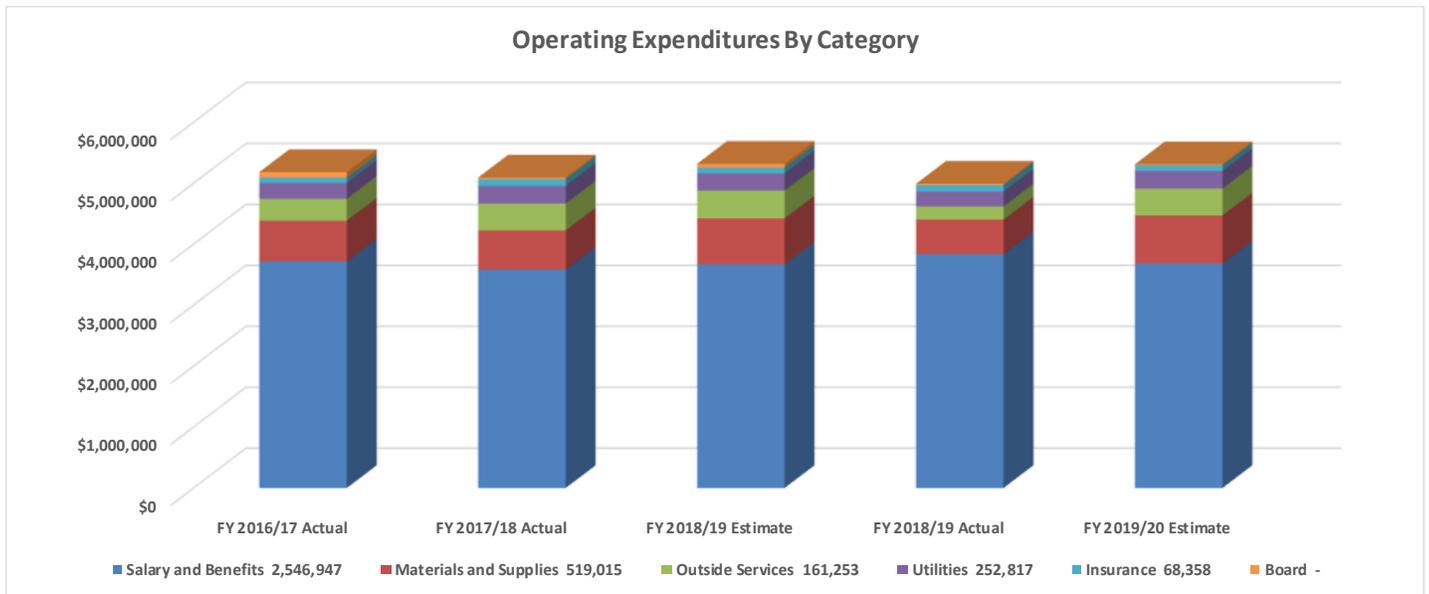
	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Estimate	FY 2018/19 Actual	FY 2019/20 Estimate
Source of Supply	\$ 72,332	\$ 70,106	\$ 104,733	\$ 42,249	\$ 36,670
Security & Recreation	212,474	183,781	184,508	149,851	12,815
Water Treatment	1,318,268	1,298,068	1,348,434	1,351,173	1,266,139
Transmission & Distribution	1,271,476	1,391,655	1,410,272	1,368,444	2,121,712
Customer Service	465,059	460,766	468,173	476,051	370,542
Administration	1,840,661	1,688,136	1,801,894	1,602,596	1,503,826
Total Operating Expenditures	5,180,270	5,092,511	5,318,014	4,990,364	5,311,705



Paradise Irrigation District
 FY 2019/20 Budget
 Operating Expenditure Summary

Operating Expenditures by Category

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Estimate	FY 2018/19 Actual	FY 2019/20 Estimate
Operational Summary					
Salary and Benefits	3,715,155	3,583,708	3,670,705	3,834,620	3,683,437
Materials and Supplies	669,902	641,180	752,500	568,531	787,100
Outside Services	358,722	442,291	455,320	216,443	442,120
Utilities	260,884	290,220	286,285	241,473	286,739
Insurance	86,488	111,642	92,155	107,607	94,909
Board	89,120	23,471	61,049	21,691	17,400
Total Operating Expense	5,180,270	5,092,511	5,318,014	4,990,364	5,311,705



Paradise Irrigation District
FY 2019/20 Budget
Operating Expenditure Detail

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Estimate	FY 2018/19 Actual	FY 2019/20 Estimate
Source of Supply					
Salary and Benefits	1,134	-	8,383	3,568	-
Materials and Supplies	58,344	55,247	55,000	29,461	26,500
Outside Services	8,387	9,138	30,070	3,926	7,070
Utilities	3,666	5,229	10,600	5,294	3,100
Insurance	800	492	680	-	-
Total Source and Supply	72,332	70,106	104,733	42,249	36,670
Security & Recreation					
Salary and Benefits	192,704	173,017	159,277	143,483	-
Materials and Supplies	1,237	1,494	7,900	554	4,200
Outside Services	5,450	1,427	5,800	1,925	4,350
Utilities	10,598	6,314	8,400	3,890	2,700
Insurance	2,486	1,530	3,131	-	1,565
Total Security & Recreation	212,474	183,781	184,508	149,851	12,815
Water Treatment					
Salary and Benefits	947,798	932,485	905,894	1,006,757	791,949
Materials and Supplies	191,014	183,223	207,900	196,599	231,900
Outside Services	22,381	23,262	63,500	29,931	71,250
Utilities	137,303	146,929	153,400	117,886	153,300
Insurance	19,773	12,168	17,740	-	17,740
Total Water Treatment	1,318,268	1,298,068	1,348,434	1,351,173	1,266,139
Transmission & Distribution					
Salary and Benefits	998,301	1,103,566	1,061,394	1,117,209	1,689,933
Materials and Supplies	176,836	191,972	228,200	168,200	289,500
Outside Services	23,688	21,988	29,400	18,567	34,900
Utilities	56,603	64,252	64,500	64,467	80,600
Insurance	16,048	9,876	26,778	-	26,778
Total Transmission and Distribution	1,271,476	1,391,655	1,410,272	1,368,444	2,121,712
Customer Service					
Salary and Benefits	448,304	453,206	430,837	467,799	341,606
Materials and Supplies	6,497	27	8,400	5,132	7,000
Outside Services	4,267	3,847	17,000	3,121	10,000
Insurance	5,991	3,687	11,936	-	11,936
Total Customer Service	465,059	460,766	468,173	476,051	370,542
Administration					
Salary and Benefits	1,126,914	921,433	1,104,921	1,095,804	859,948
Materials and Supplies	235,975	209,216	245,100	168,585	228,000
Outside Services	294,550	382,630	309,550	158,974	314,550
Utilities	52,714	67,496	49,385	49,935	47,039
Insurance	41,389	83,889	31,890	107,607	36,890
Board	89,120	23,471	61,049	21,691	17,400
Total Administration	1,840,661	1,688,136	1,801,894	1,602,596	1,503,826

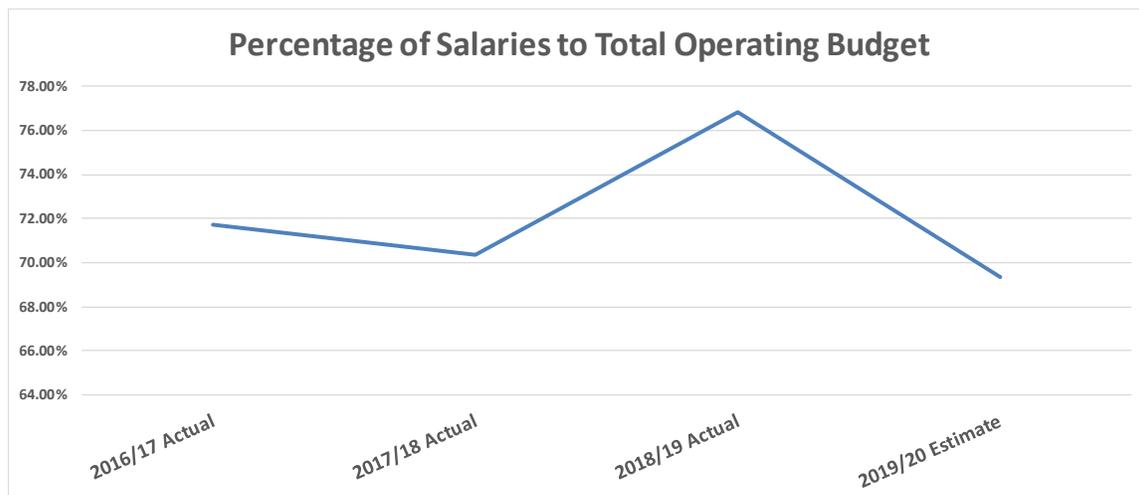
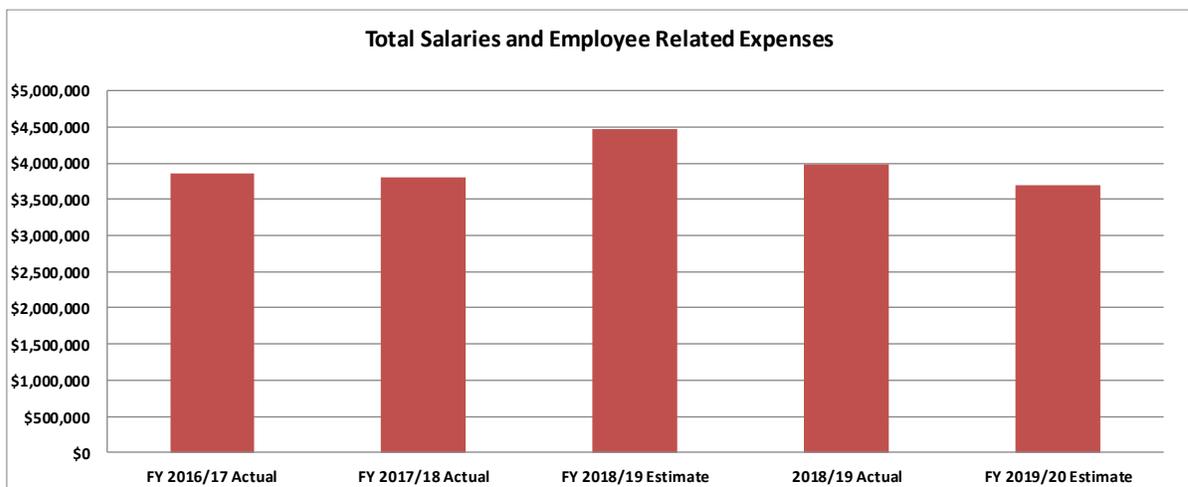
Paradise Irrigation District
 FY 2019/20 Budget
 Labor Analysis
 Overview

Labor Analysis

Personnel cost is the largest cost associated with running the day to day operations of the District. Personnel cost is made up of salaries and employee-related expenses. Personnel costs are 69% of the total 2019/20 budgeted expenditures. Employee-related expenses are a large portion of personnel expenses.

Employee-related expenses are a large portion of total personnel expenses. Employee-related expenses include retirement, medical, dental, vision, long-term disability, life, workers compensation insurance, and employee-related taxes. Employee-related expenses average 55% of salaries.

The District has listed all costs associated with employment for each position to be transparent to the public.



Paradise Irrigation District
 FY 2019/20 Budget
 Budgeted Labor

Budgeted Salaries and Benefits FY 2019/20

	Salaries	Overtime	Retirement	Health Benefits	FICA, W/C, & LTD	TOTAL SALARIES AND BENEFITS
CONTRACT						
General Manager	162,240	-	25,147	27,986	22,778	238,151
Finance and Accounting Manager	78,000	-	9,360	10,749	10,951	109,060
MANAGEMENT						
Treatment Plant Superintendent	106,062	-	12,727	27,986	14,891	161,666
Superintendent	93,861	52,000	17,503	27,986	20,479	211,829
Asst Engineer - Vacant	-	-	-	-	-	-
Treatment Plant Operations Supervisor - Vacant	-	-	-	-	-	-
Asst Superintendent	71,342	-	8,561	27,986	10,016	117,906
Office Manager	76,123	-	9,135	27,986	10,688	123,931
District Secretary	76,780	-	9,214	10,749	10,780	107,523
IT Manager	72,121	-	8,655	27,986	10,126	118,887
UNION						
Customer Service Representative	31,738	-	3,809	27,986	4,456	67,989
Accounting Technician	40,747	-	4,890	27,986	5,721	79,344
Temporary Customer Service Representative	28,373	-	-	-	-	28,373
District Plant and Facility Maintenance Technician	53,794	-	6,455	27,986	7,553	95,787
Engineering Drafter - Vacant	-	-	-	-	-	-
Lake Patrol - Vacant	-	-	-	-	-	-
Mechanic	67,663	-	8,120	27,986	9,500	113,269
Meter Serviceperson	61,992	-	7,439	27,986	8,704	106,121
Meter Supervisor	70,627	-	8,475	10,749	9,916	99,767
Sr. Customer Service Representative - Vacant	-	-	-	-	-	-
Utility Billing Technician	54,330	-	6,520	21,476	7,628	89,954
Utility Crew Leader	45,146	3,131	5,793	27,986	6,778	88,833
Utility Crew Leader	48,823	3,386	6,265	27,986	7,330	93,790
Utility Worker 1	38,072	3,802	5,025	27,986	5,879	80,764
Utility Worker 1	38,072	3,802	5,025	27,986	5,879	80,764
Utility Worker 1	38,072	3,802	5,025	27,986	5,879	80,764
Utility Worker 1	38,072	3,802	5,025	27,986	5,879	80,764
Utility Worker 1	38,072	3,802	5,025	27,986	5,879	80,764
Utility Worker 1	38,072	3,802	5,025	27,986	5,879	80,764
Utility Worker 2	47,697	-	5,724	27,986	6,697	88,103
Utility Worker 2	41,360	2,868	5,307	10,749	6,210	66,494
Utility Worker 2	41,360	2,868	5,307	27,986	6,210	83,731
Warehouse Person	64,851	-	7,782	27,986	9,105	109,724
Water Quality Technician	66,201	-	7,944	27,986	9,295	111,426
Water Treatment Plant Operator 3	77,862	16,500	11,323	10,749	13,248	129,683
Water Treatment Plant Operator 4	77,862	16,500	11,323	27,986	13,248	146,920
Water Treatment Plant Operator 4	77,862	16,500	11,323	21,476	13,248	140,410
Water Treatment Plant Operator 5	86,301	16,500	12,336	27,986	14,433	157,556
Meter Serviceperson	41,404	-	4,968	27,986	5,813	80,171
						-
						-
						-
						-
						-
						-
						-
Directors						
Division 1	2,400	-	-	21,391	337	24,128
Division 2	-	-	-	10,727	-	10,727
Division 3	-	-	-	-	-	-
Division 4	-	-	-	-	-	-
Division 5	-	-	-	-	-	-
						-
						-
TOTAL	2,093,359	153,062	271,556	856,446	311,414	3,685,837

Paradise Irrigation District
 FY 2019/20 Budget
 Personnel Cost Trend

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Estimate	2018/19 Actual	FY 2019/20 Estimate
Source of Supply					
Salary	-	-	5,070	2,862	-
Overtime	916	-	53	-	-
Employee Related Expense	219	-	3,260	707	-
Total Source and Supply	1,134	-	8,383	3,568	-
Security & Recreation					
Salary	119,195	103,942	96,321	82,887	-
Overtime	854	1,231	1,012	5,150	-
Employee Related Expense	72,655	67,843	61,945	55,446	-
Total Security & Recreation	192,704	173,017	159,277	143,483	-
Water Treatment					
Salary	605,833	585,868	563,139	639,147	459,051
Overtime	68,551	59,631	66,000	74,815	66,000
Employee Related Expense	273,414	286,985	276,754	292,795	266,898
Total Water Treatment	947,798	932,485	905,894	1,006,757	791,949
Transmission & Distribution					
Salary	645,006	693,402	672,091	698,999	878,837
Overtime	449	1,174	4,041	57,802	87,062
Employee Related Expense	352,846	408,991	385,262	360,407	724,035
Total Transmission and Distribution	998,301	1,103,566	1,061,394	1,117,209	1,689,933
Customer Service					
Salary	290,005	284,974	263,731	289,132	205,805
Overtime	-	492	-	7,248	-
Employee Related Expense	158,299	167,741	167,106	171,419	135,802
Total Customer Service	448,304	453,206	430,837	467,799	341,606
Administration					
Salary	763,897	613,722	738,885	782,040	549,667
Overtime	3,925	4,624	-	31,335	-
Employee Related Expense	359,092	303,087	366,035	282,429	312,681
Total Administration	1,126,914	921,433	1,104,921	1,095,804	862,348
Pipeline					
Salary	89,540	139,181	484,291	91,460	-
Overtime	-	63	6,062	63	-
Employee Related Expense	46,006	74,682	301,281	66,089	-
Total Pipeline	135,546	213,926	791,634	157,612	-
Salary	2,513,476	2,421,089	2,823,528	2,586,526	2,093,359
Overtime	74,695	67,215	77,167	176,413	153,062
Employee Related Expense	1,262,530	1,309,329	1,561,644	1,229,293	1,439,416
Total Personnel Cost	3,850,701	3,797,633	4,462,340	3,992,231	3,685,837
Employee Related Expense as % of Salaries	48.78%	52.62%	53.84%	44.49%	64.08%

Paradise Irrigation District
 FY 2019/20 Budget
 Employee Related Expenses

Employee Related Expenses

The District offers three medical plans, dental, vision, long-term disability, and life insurance. Each employee can select a medical insurance program that covers their whole family. The District has capped the total monthly premium at three different levels. For the IBEW employees, the District contributes \$829.99 per month for the employee only plan, \$1,691.05 per month for a couple, and \$2,183.00 per month for a family. This cap applies to all three plans. If the insurance premium exceeds the cap the employee is responsible to pay the additional amount. For the management employees, the District contributes \$797.16 per month for the employee only plan, \$1,623.80 per month for a couple, and \$2,096.17 per month for a family.

The District also offers a deferred compensation plan. The District contributes 9% of the employee's salary in a 457 retirement plan. The District will match an additional 3% of the employee's voluntary contribution into their retirement plan.

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Estimate	FY 2018/19 Actual	FY 2019/20 Estimate
Insurance					
Medical	597,341	647,518	759,961	577,609	802,720
Dental	32,262	33,227	38,913	26,763	40,305
Vision	8,084	8,124	9,943	6,538	8,488
Long-Term Disability	9,814	10,858	11,313	10,585	8,650
Life	5,773	6,311	5,904	5,896	4,933
Workers Compensation	121,902	127,995	174,042	122,662	133,083
Retirement	286,753	274,010	339,665	262,500	271,556
FICA/Medicare Tax	200,525	201,287	221,903	218,904	169,681
Total	1,262,455	1,309,329	1,561,644	1,231,456	1,439,416
Source of Supply	219	-	3,260	707	-
Security & Recreation	72,655	67,843	61,945	55,446	-
Water Treatment	273,414	286,985	276,754	292,795	266,898
Transmission & Distribution	352,846	408,991	385,262	360,407	724,035
Customer Service	158,299	167,741	167,106	171,419	135,802
Administration	359,092	303,087	366,035	282,429	312,681
Capital	46,006	74,682	301,281	66,089	-
Total	1,262,530	1,309,329	1,561,644	1,229,293	1,439,416

Note: All totals are net of employee's portion of the expense.

Paradise Irrigation District
 FY 2019/20 Budget
 Recovery Related Expenditures

Recovery Summary

The District’s distribution system experienced substantial damage as a result of depressurization during the Camp Fire in November of 2018. The District began efforts to recover the distribution system shortly after the Camp Fire and has continued these efforts throughout the 2018/19 fiscal year. The primary goal of these recovery efforts during FY 2018/19 included re-pressurizing the distribution system, identifying the source and extent of damage, and developing a recovery plan in response to the damage identified. The District plans to continue to update and follow this recovery plan through fiscal year 2019/20 in an effort to return customers to potable service. Recovery related expenditures during fiscal year 2019/20 are expected to consist primarily of water sampling, leak detection/repair, service lateral replacement/repair, and engineering cost associated with recovery efforts. Additionally, the District has contracted with a Public Assistance consultant to assist with FEMA/CalOES reimbursements and insurance claims throughout the recovery process. These consulting costs are also captured within this section of the budget.

Recovery Expenditure Projection

The projection of recovery expenditures is difficult due to the dynamic nature of the recovery plan and unknown extent of damage. The costs below are estimated based on actual costs incurred during fiscal year 2018/19 and planned recovery efforts outlined in the Recovery Plan.

- Supplies and services consist of construction cost associated with the repair of the distribution system.
- Professional services/engineering consist of engineering cost, mutual aid support, legal fees, and public assistance contracting costs.
- Water sampling costs are estimated based on the number of water samples expected to be completed during fiscal year 2019/20.

	FY 2018/19 Actual	FY 2019/20 Estimate
<i>Materials and Supplies</i>		
Supplies and Services	714,209	750,000
<i>Outside Services</i>		
Professional Services/Engineering	1,456,587	2,425,000
Water Sampling	-	250,000
	2,170,796	3,425,000

Recovery related contracts and invoices, paid as of the beginning of the fiscal year, are summarized below.

Contracts		Total Contract/Invoice		
		Price	Total Paid	Remaining
Water Works Engineers	Project Management Services	1,000,000.00	207,322.43	792,677.57
APTIM	Public Assistance Services	1,000,000.00	-	1,000,000.00
American Technologies, Inc.	Smoke Cleaning	393,858.34	200,773.52	
Firestorm	Arborist Services	26,880.00	7,500.00	19,380.00
		TOTAL OUTSTANDING OBLIGATIONS		1,812,057.57

Paradise Irrigation District
 FY 2019/20 Budget
 Debt Service

Debt Service

The Debt Service Budget for the District in FY 2019/20 is presented in this section. District debt service is a non-operating expense item of the budget, which includes principal and interest payment associated with the original loan.

Loan Name	FY 2015/16 Actual Total Payments	FY 2016/17 Actual Total Payments	FY 2017/18 Actual Total Payments	FY 2018/19 Estimated Total Payments	FY 2018/19 Actual Total Payments	Estimated 2019/20
Davis Grunsky	180,728	182,743	-	-	-	-
IBANK	130,311	130,276	130,240	130,202	130,202	-
Private Placement Loan	267,604	-	-	-	-	-
2009 COP's	616,594	614,694	538,047	-	-	-
2016 Private Placement (Refi)	-	243,426	244,874	244,325	148,325	246,002
2017 Private Placement (Refi)	-	-	75,192	588,780	330,580	595,721
New Debt	-	-	-	-	-	-
Total	1,195,238	1,171,139	988,353	963,307	609,108	841,723

CURRENT OUTSTANDING DEBT

Loan	Initial Year	Capital Project
2017 Private Placement (Refi)	2017	Meter Replacement Project
IBANK	2007	Magalia Bypass
2016 Private Placement (Refi)	2016	Billie Road Pipeline, SCADA, & Corp Yard

TOTAL DEBT AS OF THE BEGINNING OF BUDGET YEAR

Fiscal Years	Davis Grunsky	DWR	2001 Bond Refunding	2017 Refinance	IBANK	Private Placement Loan	2009 COP's	2011 Refinance	TOTAL
2010/11	1,182,329	1,787,094	3,460,000	-	1,845,511	3,296,177	5,720,000	-	17,291,111
2011/12	1,024,691	1,484,780	-	-	1,765,043	3,180,516	5,640,000	1,685,300	14,780,330
2012/13	863,451	1,172,870	-	-	1,682,346	3,059,415	5,555,000	1,130,500	13,463,582
2013/14	698,521	850,810	-	-	1,597,357	2,932,616	5,470,000	569,000	12,118,304
2014/15	529,806	518,508	-	-	1,510,015	2,799,852	5,385,000	-	10,743,181
2015/16	357,213	-	-	-	1,420,254	2,660,843	4,985,000	-	9,423,310
2016/17	180,559	-	-	-	1,328,006	2,515,296	4,570,000	-	8,593,861
2017/18	-	-	-	3,361,900	1,233,202	2,362,901	-	-	6,958,003
2018/19	-	-	-	3,308,000	1,135,773	2,203,338	-	-	6,647,111
2019/20	-	-	-	3,049,900	1,035,645	2,156,000	-	-	6,241,545

Paradise Irrigation District
 FY 2019/20 Budget
 Debt Service

California Infrastructure and Economic Development Bank

	<u>Original</u>	<u>2019 Refinance</u>
Note number:	CIEDB 07-077	
Debt Service Title:	IBANK	
Capital Projects:	Magalia Bypass	
Initial Year:	2007	
Final Year:	September 1, 2027	September 1, 2032
Original Borrowing Amount:	\$2,000,000	
Length of Loan:	20 years	25 years
Interest Rate:	2.77%	1.00 %
Annual Payment:	Various	Various
Current Balance:	\$1,233,202	\$1,053,395
FY 2019/20 Payment	\$133,271	\$0

Date	Balance	Interest	Principal	Principal & Interest Payment	Annual Fee	Total Payment
9/1/2009	1,923,811	26,645	78,300	104,944	5,771	110,716
2/1/2010	1,845,511	25,560	-	25,560	-	25,560
9/1/2010	1,845,511	25,560	80,468	106,029	5,537	111,565
2/1/2011	1,765,043	24,446	-	24,446	-	24,446
9/1/2011	1,765,043	24,446	82,697	107,143	5,295	112,438
2/1/2012	1,682,346	23,300	-	23,300	-	23,300
9/1/2012	1,682,346	23,300	84,988	108,289	5,047	113,336
2/1/2013	1,597,358	22,123	-	22,123	-	22,123
9/1/2013	1,597,358	22,123	87,342	109,466	4,792	114,258
2/1/2014	1,510,015	20,914	-	20,914	-	20,914
9/1/2014	1,510,015	20,914	89,762	110,675	4,530	115,205
2/1/2015	1,420,254	19,671	-	19,671	-	19,671
9/1/2015	1,420,254	19,671	92,248	111,919	4,261	116,179
2/1/2016	1,328,006	18,393	-	18,393	-	18,393
9/1/2016	1,328,006	18,393	94,803	113,196	3,984	117,180
2/1/2017	1,233,202	17,080	-	17,080	-	17,080
9/1/2017	1,233,202	17,080	97,429	114,509	3,700	118,209
2/1/2018	1,135,773	15,730	-	15,730	-	15,730
9/1/2018	1,135,773	15,730	100,128	115,859	3,407	119,266
2/1/2019	1,035,645	14,344	-	14,344	-	14,344
9/1/2019	1,053,395	-	-	-	-	-
2/1/2020	1,053,395	-	-	-	-	-
9/1/2020	1,053,395	-	-	-	-	-
2/1/2021	1,053,395	-	-	-	-	-
9/1/2021	1,053,395	-	-	-	-	-
2/1/2022	1,053,395	-	-	-	-	-
9/1/2022	1,053,395	-	-	-	-	-
2/1/2023	1,053,395	-	-	-	-	-
9/1/2023	1,053,395	-	-	-	-	-
2/1/2024	1,053,395	-	-	-	-	-
9/1/2024	1,053,095	-	91,044	91,044	-	91,044
2/1/2025	962,051	4,810	-	4,810	-	4,810
9/1/2025	962,051	4,810	91,955	96,765	2,886	99,651
2/1/2026	870,096	4,350	-	4,350	-	4,350
9/1/2026	870,096	4,350	92,874	97,225	2,610	99,835
2/1/2027	777,222	3,886	-	3,886	-	3,886
9/1/2027	777,222	3,886	93,803	97,689	2,332	100,021
2/1/2028	683,419	3,417	-	3,417	-	3,417
9/1/2028	683,419	3,417	94,741	98,158	2,050	100,208
2/1/2029	588,677	2,943	-	2,943	-	2,943
9/1/2029	588,677	2,943	95,689	98,632	1,766	100,398
2/1/2030	492,989	2,465	-	2,465	-	2,465
9/1/2030	492,989	2,465	96,645	99,110	1,479	100,589
2/1/2031	396,344	1,982	-	1,982	-	1,982
9/1/2031	396,344	1,982	97,612	99,594	1,189	100,783
2/1/2032	298,732	1,494	-	1,494	-	1,494
9/1/2032	298,732	1,494	98,588	100,082	896	100,978
2/1/2033	200,144	1,001	-	1,001	-	1,001
9/1/2033	200,144	1,001	99,574	100,575	600	101,175
2/1/2034	100,570	503	-	503	-	503
9/1/2034	100,570	503	100,570	101,072	302	101,374

Paradise Irrigation District
 FY 2019/20 Budget
 Debt Service

2016 Private Placement Loan

Note number:
 Debt Service Title: Private Placement Loan (Refi)
 Capital Projects: Billie Pipeline Project
 SCADA
 Corporation Yard
 Initial Year: 2016
 Final Year: Nov 1, 2028
 Original Borrowing Amount: \$2,640,000
 Length of Loan: 13 years
 Interest Rate: 2.42%
 Annual Payment: \$244,325
 Current Balance: \$2,345,000
 FY 2019/20 Payment \$246,001.50

<u>Date</u>	<u>Balance</u>	<u>Interest</u>	<u>Principal</u>	<u>Principal & Interest Payment</u>
8/31/2016	2,640,000			
11/1/2016	2,640,000	10,825	111,000	121,825.47
5/1/2017	2,529,000	30,601	91,000	121,600.90
11/1/2017	2,438,000	29,500	93,000	122,499.80
5/1/2018	2,345,000	28,375	94,000	122,374.50
11/1/2018	2,251,000	27,237	95,000	122,237.10
5/1/2019	2,156,000	26,088	-	26,087.60
11/1/2019	2,156,000	26,088	97,000	123,087.60
5/1/2020	2,059,000	24,914	98,000	122,913.90
11/1/2020	1,961,000	23,728	99,000	122,728.10
5/1/2021	1,862,000	22,530	101,000	123,530.20
11/1/2021	1,761,000	21,308	102,000	123,308.10
5/1/2022	1,659,000	20,074	103,000	123,073.90
11/1/2022	1,556,000	18,828	104,000	122,827.60
5/1/2023	1,452,000	17,569	106,000	123,569.20
11/1/2023	1,346,000	16,287	107,000	123,286.60
5/1/2024	1,239,000	14,992	108,000	122,991.90
11/1/2024	1,131,000	13,685	109,000	122,685.10
5/1/2025	1,022,000	12,366	111,000	123,366.20
11/1/2025	911,000	11,023	112,000	123,023.10
5/1/2026	799,000	9,668	114,000	123,667.90
11/1/2026	685,000	8,289	115,000	123,288.50
5/1/2027	570,000	6,897	116,000	122,897.00
11/1/2027	454,000	5,493	118,000	123,493.40
5/1/2028	336,000	4,066	119,000	123,065.60
11/1/2028	217,000	2,626	217,000	219,625.70

Paradise Irrigation District
 FY 2019/20 Budget
 Debt Service

2017 Private Placement Loan

Note number:
 Debt Service Title: 2018 Private Placement (Refi)
 Capital Projects: Meter Replacement Project
 Initial Year: 2017
 Final Year: Oct 1, 2024
 Original Borrowing Amount: \$3,361,900
 Length of Loan: 7 years
 Interest Rate: 2.28%
 Annual Payment: Various
 Current Balance: \$3,308,000
 FY 2019/20 Payment \$595,721

<u>Date</u>	<u>Balance</u>	<u>Interest</u>	<u>Principal</u>	<u>Principal & Interest Payment</u>
12/21/2017	3,361,900			
4/1/2018	3,361,900	21,292	53,900	75,192.03
10/1/2018	3,308,000	37,711	258,100	295,811.20
4/1/2019	3,049,900	34,769	-	34,768.86
10/1/2019	3,049,900	34,769	264,600	299,368.86
4/1/2020	2,785,300	31,752	264,600	296,352.42
10/1/2020	2,520,700	28,736	270,600	299,335.98
4/1/2021	2,250,100	25,651	270,600	296,251.14
10/1/2021	1,979,500	22,566	276,000	298,566.30
4/1/2022	1,703,500	19,420	534,200	553,619.90
10/1/2022	1,169,300	13,330	280,700	294,030.02
4/1/2023	888,600	10,130	280,600	290,730.04
10/1/2023	608,000	6,931	287,000	293,931.20
4/1/2024	321,000	3,659	287,000	290,659.40
10/1/2024	34,000	388	34,000	34,387.60