



June Lake Public Utility District

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Budget for the Fiscal Year July 01, 2024 – June 30, 2025

Introduction

The mission of the June Lake Public Utility District is to continue to provide excellent water and wastewater services to the entire June Lake loop. Having a sound budget that allows for improvements to our aging infrastructure is an important process of that goal. The following budget describes the source and expected amounts of revenue and defines the expected types and amounts of expenditures. The approved budget by our Board of Directors defines a strategic and operational road map.

The budget this year has been a collaborative effort that incorporates plan development by our Superintendent and General Manager. The budget is guided by the experience of past years and anticipates plans for the coming year.

Preparation of a budget includes one that can easily be interpreted by the public to meet our mission of maintaining complete transparency. We hope we have accomplished that again this year.

The District receives revenue primarily from property taxes and fixed and variable charges for water and wastewater services from our customers. Other revenue sources are connection fees for new water/wastewater customers, interests derived from invested funds, and cell tower leasing. The District thoughtfully spends money on capital assets, personnel, and operating expenses as well as services from outside experts as may be needed.

Revenue from water sales is variable based on the availability of surface water supplied by our winter snowpack. A few times per year we do draw from June Lake to subsidize when if needed. Revenue from this source represents 2/3 of our total revenue. The remaining revenue is derived from property taxes.

Total revenue for the fiscal year is budgeted at \$2,202,051. Our budgeted expenditures on operations, personnel, and capital improvements are \$1,795,964. The difference of \$406,087 will be expected to be added to our operating and capital reserves to prepare for future needs. This difference represents over 44% of our revenue from taxes being added to our reserves.

June Lake Public Utility District has adopted an operations and capital reserve policy that defines targets for financial reserves that are consistent with the highest quality prudent planning and risk

management. The reserve balance at the beginning of fiscal year 2024-2025 is \$4,157,136.88. We continue to see our reserves grow over the past 3 years. The target reserve balance at the end of fiscal year 2025 will be approximately \$4,563,223.88. plus interest. The District has adopted a reserve investment policy that defines targets with prudent planning and risk management. All investments are approached with a conservative preservation of capital strategy.

The District's fiscal year revenue and budget targets are included as Attachment A to this document.

Unfunded CalPERS in the past has been addressed over a 35 year plan (payoff). The current Board has approved applying an additional \$40,000 per year towards this liability so that the balance will be paid off in less than 15 years. This will create a savings to the District of approx.. \$260,000 in interest.

Water and Wastewater rates are budgeted for a 0% increase this fiscal year. However we are in process of a current rate study. If completed mid year it may effect the budgeted increase.

Personnel Expenses are budgeted for a 2% COLA for union workers. We are in current negotiations with the union and this figure may change.

We will not show forecast budgets out 5 years as there are too many economic variables at this time. We expect tax assessments to fluctuate substantially as well as the cost of building index should also be fluctuating substantially. We expect there to be some fluctuation in cost of supplies and chemicals as well. And of course fuel prices could swing dramatically over the next few years. The volatility of interest rates also is unpredictable at this time.

This year we are not being as aggressive as last year in capital improvement projects as we are looking to add more funds into our reserves. I have included a list of those projects that have been budgeted for. As well you can visit our NEWS page on our website www.junelakepud.com to view our ongoing projects for this fiscal year.

Some significant changes in the FY 2024-25 budget include:

- * \$150,000 to our Sewer Slip Line Project. We are in year 3 of the 5 year project.
- * \$40,000 to our Meter Replacement Project
- * \$18,000 to our Silver Lake Lift Station pump rebuild project.
- * We have made budget cuts of \$426,297 from our original preliminary budget numbers.

This fiscal 2024-2025 year we are budgeted for the below projects:

- * Slip Line project – Year 3 of this 5 year project. Work to begin in September of 2024. Approximately 20% per year. \$150,000.
- * Meter Replacement Program. This project will take place throughout the year. \$40,000.
- * Silver Lake Main Station pump rebuild. Work to begin July 2024. \$18,000.

There is a lot of additional information on our website www.junelakepud.com constantly being updated.

As a special note below are a few updates on past/future projects worth mentioning:

* Wastewater Treatment Plant. Grant funds to improve and upgrade our Wastewater Treatment Plant. We have engineering options complete. Expected approval for a grant in the amount of \$14,000,000.00 is possible sometime in 2028. This is an ongoing project. **We currently do not qualify as a disadvantaged district for grant funding so this could delay funding for this project. This project will need further considerations and staged planning.**

* Main Station 1 overhaul. ~~This will require a grant of approximately \$1,000,000, and we are in the process of meeting with engineers to develop a plan.~~ **We were able to rehab Our Main Station 1 to include state of the art chopper pumps at a greatly reduced expected cost. The pump replacement was completed for \$119,689. We are still working on plans to upgrade the standby generator there, reline of the wet well and add remote monitoring/control of operations there. This project will be completed well below the initial engineered estimate of \$1,000,000. Careful planning and consideration by the board help to make this possible.**

* Oh Ridge Lift Station overhaul. ~~This will require a grant of approximately \$1,200,000 and we are in the process of meeting with engineers to develop a plan.~~ **We were able to rehab our Oh Ridge Lift Station #1 to include state of the art chopper pumps at a greatly reduced expected cost. The pump replacement on this project was completed for \$172,287. In addition, this was funded by the USFS fund not from District funds. We are still working on plans to tie the dry well sump pump into the main there as well add telemetry to allow us to control/monitor the equipment. This is another project that will be completed well below the initial engineered estimate of \$1,200,000. Again careful planning and consideration by the board help to make this possible.**



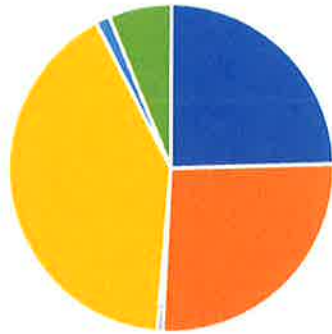
Todd M Kidwell
General Manager

Revenue Budget FY 2024 (\$2,202,051)

Exhibit A

Billing Water	\$540,818
Billing Sewer	\$575,874
Cell Tower	\$12,100
Taxes	\$903,470
Connection Fees	\$31,300
Non Operating Revenue	\$138,489

Chart Title

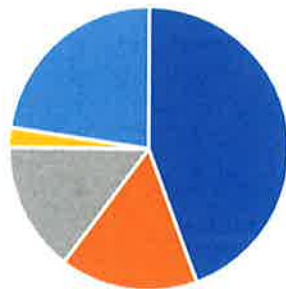


- Billing Water
- Billing Sewer
- Cell Tower
- Taxes
- Connection Fees
- Non Operating Revenue

Expense Budget Fy 2023 (\$1,795,964)

Personnel Expense (less contractual labor)	\$795,787
Operating Expense	\$286,090
Capital Improvement Expense	\$268,000
Additional to Unfunded CalPERS	\$40,000
Contribution to Reserves	\$406,087

Chart Title



- Personnel Expense (less contractual labor)
- Operating Expense
- Capital Improvement Expense
- Additional to Unfunded CalPERS
- Contribution to Reserves