

Olivehurst Public Utility District



Agenda Item Staff Report

Meeting Date: April 21, 2022

Item description/summary:

The District’s outstanding reimbursements to Plumas Lake Owners Group (PLOG) for the value of Well #34 and sewer collection system improvements are repaid annually with water and sewer collection system capacity fees collected during the fiscal year. OPUD has the option to defer payments if the funds are needed for district projects. Outstanding balances are adjusted annually by the Construction Cost (CCI).

SPL Sewer Collection Fee Reimbursement – PLOG : 2004 Beginning Balance of \$1,196,248 with a current balance of \$308,849.21.CCI adjustments added \$357,136 since 2004. Enough sewer collection cap fees are available to pay off the balance now.

Water Capacity Fee Reimbursement – PLOG (Well #34): 2004 beginning balance of \$3,546,664 with a current balance of \$1,895,697.CCI adjustments added \$936,101 since 2014. The 2022 CCI increase of 7.70 % added \$135,532 to the balance payable. PLOG is now due \$1,554,705 in water capacity fees collected since the last payment of \$849,952 September 2021.

	Water	Sewer	Sewer Collection
Capacity Fees	\$2,540,647	\$9,922,004	\$ 2,162,462
Admin Cap Fees	308,849		1,013,849

Fiscal Analysis:

The CCI increases in recent years outpace the interest rate on District funds deposited with Yuba County Treasury. See attached comparison of treasury rates and CCI on page 2. An advance from sewer capacity fees at treasury rates to pay off the Water Capacity Fee Reimbursement amount would result in savings and accumulation of water capacity fees for other projects. A 20-year amortization schedule is attached for illustration on page 3. Repayments with collected water capacity fees include interest cost of \$194,951.34 over the term of the advance.

Employee Feedback

Sample Motion:

Consider paying off the Capacity Fee Reimbursement to PLOG.

Prepared by:

Karin Helvey – Financial Manager

Average Annual Yields			
	LAIF	YC Treasurer	
Fiscal Year	Interest Rates		CCI
03/04	1.532%		
04/05	2.256%		
05/06	3.873%		6.700%
06/07	5.121%		3.740%
07/08	4.325%		5.390%
08/09	2.224%		1.410%
09/10	0.651%		6.410%
10/11	0.495%		0.220%
11/12	0.382%		3.850%
12/13	0.307%		1.650%
13/14	0.249%		2.090%
14/15	0.269%		3.980%
15/16	0.434%		1.470%
16/17	0.754%		2.100%
17/18	1.376%		3.990%
18/19	2.266%	2.040%	1.850%
19/20	1.934%	2.080%	3.560%
20/21	0.500%	0.712%	2.660%
21/22			7.700%

