



*Town of Yountville*  
"The Heart of the Napa Valley"™

# Water Utility Enterprise

Water Utility Operating Fund Summary

Water Utility Operating Revenue (61)

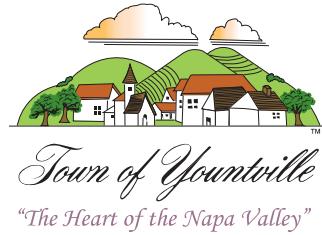
Water Utility Operations & Distribution (61-4505)

Water Utility Purchases & Conservation (61-4507)

Water Utility Capital Improvements Fund (60-4500)

Water Drought Reserve Fund (57-4507)

Water Connection Impact Fee Fund (58)



# Water Utility Enterprise Fund Descriptions

**Water Utility Operating Fund (61)** – accounts for water revenue from user fees, operating expenses to distribute water to customers, purchases of water, primarily from the Veteran's Home, and conservation efforts

- **Water Operations & Treatment – 4505**
- **Water Purchases & Conservation – 4507**

**Water Utility Capital Improvements Fund (60)** – accounts for acquisition of water system improvements & acquisition of major equipment

**Water Drought Reserve Fund (57)** – established by Council policy to account for \$2 million reserve established for water purchases on the spot market in the event of a drought

**Water Connection Impact Fee Fund (58)** – accounts for fees charged on residential & commercial development –funds allocated for capital infrastructure projects

**Town of Yountville**  
**WATER UTILITY OPERATING FUND SUMMARY**

Fund 61	2014-15	2015-16	2016-17		2017-18
	ACTUAL	ACTUAL	BUDGET	ESTIMATED	ADOPTED
■ BEGINNING FUND BALANCE	\$ 679,731	\$ 736,110	\$ 606,815	\$ 841,588	\$ 602,025
<b>OPERATING REVENUE</b>					
Residential Sales	750,284	789,990	768,170	780,386	780,386
Non Profit Sales	81,971	92,353	88,090	86,016	86,016
Commercial Sales	374,896	365,984	367,120	345,718	345,718
Other Services	17,880	15,891	11,650	26,503	26,503
Other Revenue	2,041	8,421	5,000	16,025	5,000
<b>Total Operating Revenue</b>	<b>\$ 1,227,073</b>	<b>\$ 1,272,640</b>	<b>\$ 1,240,030</b>	<b>\$ 1,254,648</b>	<b>\$ 1,243,623</b>
<b>OPERATING EXPENSES</b>					
Personnel	263,319	306,935	399,500	419,296	435,734
Supplies & Services	94,245	103,038	156,240	173,594	150,600
Capital Outlay	6,485	3,418	9,800	9,800	3,000
Water Purchases	528,331	495,384	604,070	615,635	518,000
Depreciation Expense	70,208	60,763	78,000	78,000	87,205
<b>Total Operating Expenses</b>	<b>\$ 962,587</b>	<b>\$ 969,538</b>	<b>\$ 1,247,610</b>	<b>\$ 1,296,326</b>	<b>\$ 1,194,539</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$ 264,486</b>	<b>\$ 303,102</b>	<b>\$ (7,580)</b>	<b>\$ (41,678)</b>	<b>\$ 49,084</b>
<b>NON-OPERATING REVENUE, EXPENSES &amp; TRANSFERS</b>					
3301 Investment Earnings	1,210	3,803	-	2,115	1,750
6500 Interest on Interfund Loan (57)**	(2,818)	(1,427)	-	-	-
7900 Transfer to Water Capital (60)	-	(200,000)	(200,000)	(200,000)	(200,000)
<b>Total Non-Operating Revenue, Expenses &amp; Transfers</b>	<b>\$ (1,608)</b>	<b>\$ (197,624)</b>	<b>\$ (200,000)</b>	<b>\$ (197,885)</b>	<b>\$ (198,250)</b>
■ ENDING FUND BALANCE*	<b>\$ 736,110</b>	<b>\$ 841,588</b>	<b>\$ 399,235</b>	<b>\$ 602,025</b>	<b>\$ 452,859</b>
As Percent of Operating Expenses	76%	87%	32%	46%	38%
Net Change in Fund Balance	56,379	105,478	(207,580)	(239,563)	(149,166)

*\*Ending fund balance for FY 14/15 includes Year End adjustment of \$206,498 to adjust fund balances for GASB 68 requirements and compensated absences.*

*\*\*Interfund loan reflected in Water Utility Operations and Distribution, 61-4505*

**Town of Yountville**  
**WATER UTILITY OPERATING REVENUE**  
**Fund 61**

		2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ESTIMATED	2017-18 ADOPTED
<b>RESIDENTIAL SALES</b>						
3610	Single Residential	428,929	467,572	452,900	467,910	467,910
3611	Multi Residential	92,562	94,757	92,550	87,138	87,138
3612	Mobile Homes	79,945	73,343	71,020	65,440	65,440
3613	Condominium	66,181	68,884	67,800	67,423	67,423
3614	Residential - Outside Town	82,668	85,435	83,900	92,475	92,475
<b>Total Residential Sales</b>		<b>\$ 750,284</b>	<b>\$ 789,990</b>	<b>\$ 768,170</b>	<b>\$ 780,386</b>	<b>\$ 780,386</b>
<b>NONPROFIT SALES</b>						
3620	Church or School	37,287	34,880	33,320	33,648	33,648
3621	Town Use	44,685	57,473	54,770	52,368	52,368
<b>Total Nonprofit Sales</b>		<b>\$ 81,971</b>	<b>\$ 92,353</b>	<b>\$ 88,090</b>	<b>\$ 86,016</b>	<b>\$ 86,016</b>
<b>COMMERCIAL SALES</b>						
3630	Restaurant/Bar	71,130	73,291	73,140	66,691	66,691
3631	Hotel/Inn	177,186	179,939	177,700	170,312	170,312
3632	Other Commercial	85,552	68,973	68,200	65,404	65,404
3633	Multi Commercial	41,029	43,781	48,080	43,311	43,311
<b>Total Commercial Sales</b>		<b>\$ 374,896</b>	<b>\$ 365,984</b>	<b>\$ 367,120</b>	<b>\$ 345,718</b>	<b>\$ 345,718</b>
<b>OTHER SERVICES</b>						
3660	Other Service Charges	15,417	14,925	10,950	25,538	25,538
3661	Firelines	720	717	700	717	717
3662	Meter Sets	1,743	248	-	248	248
<b>Total Other Services</b>		<b>\$ 17,880</b>	<b>\$ 15,891</b>	<b>\$ 11,650</b>	<b>\$ 26,503</b>	<b>\$ 26,503</b>
<b>OTHER REVENUES</b>						
3409	Other State Revenue - Prop 84 Grant	356	8,191	5,000	16,000	5,000
3800	Miscellaneous	920	231	-	25	-
3801	Refunds & Reimbursements	765	-	-	-	-
<b>Total Other Revenue</b>		<b>\$ 2,041</b>	<b>\$ 8,421</b>	<b>\$ 5,000</b>	<b>\$ 16,025</b>	<b>\$ 5,000</b>
<b>TOTAL WATER REVENUE</b>						
<b>\$ 1,227,073</b>						
<b>\$ 1,272,640</b>						
<b>\$ 1,240,030</b>						
<b>\$ 1,254,648</b>						
<b>\$ 1,243,623</b>						

### Department Overview

The Water Utility Operations Division of the Public Works Department supports the operation and maintenance of the water distribution system that provides potable water service to our residential, commercial, public facilities and other properties in the Town and 32 legacy customers outside of the Town limits. When the Town incorporated in 1965, it was required to assume responsibility for the existing water customers served by the water transmission line along Silverado Trail and Yountville Cross Road. The Town does not provide water service to California Veterans Home – Yountville which is responsible for its own internal water distribution system operations.

This division is responsible for the maintenance and operation of the water distribution system which includes:

- Yountville Municipal Emergency Water Well
- 6.9 miles of water distribution mains (pipeline system)
- 831 service connections and meters
- 28 Town owned backflow prevention devices
- Two pressure regulator stations between the State's transmission line and Town distribution system
- Two pressure regulator stations tied to the City of Napa's water system that provide back up in an emergency.

The Utility Operations Manager works with a Water Systems Maintenance Worker and other Public Works staff as necessary to operate and maintain the physical water distribution system. The Town utilizes outside contractors for significant construction and repair projects. The Division has implemented a cellular network meter reading system to electronically read water meters for each monthly billing cycle. The use of cellular meter reading technology has allowed the meter readings to be taken daily and relayed via the remote system. This information syncs directly to our financial software as well. This has eliminated the need for two crew members to manually read all of the water meters in the Town's system which used to take over three hours. The software also allows the ratepayer account holder to review water usage from any device with an internet connection.

Division staff maintains and operates the water treatment system at the Municipal Water Well so that it will be ready in case of an emergency. Utility Operations staff take weekly, monthly, annual and semiannual water samples from the distribution system and well for testing and reporting to the California State Water Resources Control Board, Division of Drinking Water (SWRCB, DDW). The Town shares this information with all water customers through the Annual Consumer Confidence Report.

The water rate structure includes three components: a fixed system service charge based on meter size, a system replacement fee, and a water consumption charge based on actual water usage by the customer. To encourage water conservation, the water usage component is on a tiered rate structure based on the customer's actual usage. Funding is provided through user charges and interest income. On February 15, 2011, Town Council adopted a water rate and fee structure that eliminated the General Fund subsidy. A utility rate study is currently underway and will evaluate changes to the rate structure necessary to support the maintenance and infrastructure needs of the system and evaluate the tiered rates within the water consumption component for compliance with the recent San Juan Capistrano case ruling.

Before water rates were increased in 2011, the Water Utility Operations Budget operated in a structural deficit. In Fiscal Year 2012-13, a loan was obtained from the Water Drought Reserve Fund (57-4507) to cover the Water Utility Operations and Distribution Fund operating deficit. This loan was paid off in full in Fiscal Year 2015-16.

The Town has an agreement with the City of Napa to provide 20 hours of water conservation education in Yountville, which includes a booth at Yountville Days and other community education efforts.

**Town of Yountville**  
**WATER UTILITY OPERATIONS & DISTRIBUTION**  
**Water Fund 61 - Department 4505**

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**Historical Water Operations Background Information:**

In 2004, the Veterans Home staff at the Rector Water Treatment Plant backwashed sand from filters into the transmission line between Rector Reservoir and the Veterans Home. The sand was accidentally pulled into the Town's distribution system and has clogged water meters, sinks, showers, and other fixtures in homes and businesses. During 2004 and 2005, Town staff flushed much sand out of the distribution system.

In 2010, the Veterans Home completed the retrofitting of a 1.1 million gallon, concrete water storage tank at the Veterans Home. When the tank was filled during the summer of 2010, sand was re-suspended in the transmission line and pulled into the Town distribution system. In 2015, Town Staff teamed with ValveTek Utility Services, Inc. to perform a system wide flushing using a new technology called "NO-DES" which stands for Neutral Output Discharge Elimination System. This process uses an onboard pumping/filtering system that removes unwanted debris (including the previously deposited sand) from the distribution system while pumping the clean water back into the system eliminating the water waste usually associated with distribution system flushing. It is anticipated that the Town will use this process every other year to keep the system flushed at high velocities while performing low volume flushing in the years that NO-DES is not used.

During the end of 2016, a water main break at the Rector Treatment Plant occurred. Town Staff worked closely with Rector Operators to properly isolate, flush, sample and return the two systems back to proper working order. The Town was able to switch from the main source of water provided by the Veterans Home to the water system owned by the City of Napa. In an effort to avoid any residual sand being drawn into our system the Veterans Home conducted a high velocity fill of their tank after the water treatment plant was back online. This was meant to bypass the Town's water distribution system with any residual sand and flush it up to the tank at the Veteran's Home where it could be removed at a later date.

**2016-2017 Accomplishments**

- Replaced approximately 350 commercial/residential water meters.
- Installed cellular water meter reading technology on all 823 water meters.
- Completed CA SWRCB, DDW mandated Annual Water Quality (Consumer Confidence) Report mailed to all 831 customers.
- Continued to improve and enhance employee training and safety program as well as cross training and "job shadowing" within the Utility Operations Division.
- Continued to implement and use GIS and Accela Asset Management System, and Orion cellular water meter reading technology to help improve efficiency and effectiveness.

**2017-2018 Goals and Objectives**

- Complete CA SWRCB, DDW mandated annual water quality (consumer confidence) mail report to all 831 customers.
- Continue to improve and enhance employee training and safety program as well as cross training and "job shadowing" within the Utility Operations Division.
- Implement conclusions from rate study.

**Budget Highlights**

- The overall budget is up slightly from last year, due to salary increases. This reflects the full transition of Water Operations to the Utilities Division.
- This budget also reflects that there has been no increase in revenue as the rate study which is not concluded.

**Town of Yountville**  
**WATER UTILITY OPERATIONS & DISTRIBUTION**  
**Water Fund 61 - Department 4505**

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**Did You Know?**

- Yountville has six (6) certified water distribution operators to make sure the drinking water system is managed to a high level in accordance with State and Federal standards.
- Yountville serves 32 out of town water customers.
- 48 bacteriological tests are performed each year from our sampling stations.
- Nearly 10,000 water meter reads were conducted this year.
- 350 water meter boxes were cleaned this year.
- Yountville purchases our water from Rector Reservoir operated by the State of California – Veterans Home located northeast of Town on the Silverado Trail.

**Town of Yountville**  
**WATER UTILITY OPERATIONS & DISTRIBUTION**  
**Water Operating Fund 61 - Department 4505**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ESTIMATED	2017-18 ADOPTED
<b>PERSONNEL</b>					
4010 Salaries - Full Time	144,109	165,098	189,590	189,590	200,520
4011 Salaries - Part Time	-	5,862	24,400	24,400	27,280
4012 Overtime	2,708	1,817	3,000	3,000	-
4013 Medicare & Fica	2,359	2,648	3,670	3,670	3,660
4020 Pers Employer Rate	25,538	24,936	19,790	36,597	38,779
4023 Pension Expense	16,895	(5,559)	-	-	-
4030 Deferred Compensation	8,688	8,408	12,510	12,510	14,370
4031 Payment In-Lieu Health	-	-	1,800	1,800	600
4040 Health Insurance	22,768	23,665	38,120	38,120	37,890
4042 Dental Insurance	2,020	2,046	3,010	3,010	2,970
4043 Vision Insurance	-	-	400	400	690
4044 Life/Disability Insurance	1,010	996	1,620	1,620	1,680
4049 Allocated OPEB	20,640	22,320	25,480	25,480	29,140
4052 Cell Phone Allowance	-	-	960	960	1,938
4053 Other Employee Reimbursement	-	65	-	-	3,450
4819 Allocated Liability Insurance	5,670	6,542	8,330	8,330	8,020
4839 Allocated Workers' Comp Insurance	6,467	6,982	7,520	7,520	5,260
<b>Total Personnel</b>	<b>\$ 258,873</b>	<b>\$ 265,825</b>	<b>\$ 340,200</b>	<b>\$ 357,007</b>	<b>\$ 376,247</b>
<b>SUPPLIES &amp; SERVICES</b>					
4110 Office Supplies	22	38	300	300	300
4120 Other Supplies & Materials	6,318	4,263	7,000	7,000	7,000
4125 Chemicals	414	-	1,500	1,500	1,500
4130 Postage & Printing	4,018	4,720	4,000	4,000	2,500
4210 Contract Services	18,880	23,859	45,000	58,704	45,000
4220 Audit & Accounting Services	4,430	3,189	3,570	7,220	6,000
4225 Bank & Fiscal Agent Fees	7,577	8,476	7,000	7,000	9,000
4280 Other Agencies	4,846	5,024	6,500	6,500	6,500
4310 Facilities Maintenance	6,616	11,357	30,000	30,000	30,000
4320 Equipment Maintenance	1,290	1,381	3,000	3,000	4,000
4330 Vehicle Maintenance	2,552	1,248	1,500	1,500	1,500
4699 Allocated IT Costs	6,416	8,000	10,140	10,140	11,530
4710 Conference & Travel	2,451	1,470	5,000	5,000	5,000
4715 Meetings & Training	2,438	987	3,000	3,000	3,000
4720 Dues & Subscriptions	901	1,372	4,000	4,000	4,000
4829 Allocated Property Insurance	1,840	-	3,000	3,000	1,800
<b>Total Supplies &amp; Services</b>	<b>\$ 71,009</b>	<b>\$ 75,384</b>	<b>\$ 134,510</b>	<b>\$ 151,864</b>	<b>\$ 138,630</b>
<b>CAPITAL OUTLAY</b>					
5700 Machinery & Equipment	6,485	3,418	9,800	9,800	3,000
<b>Total Capital Outlay</b>	<b>\$ 6,485</b>	<b>\$ 3,418</b>	<b>\$ 9,800</b>	<b>\$ 9,800</b>	<b>\$ 3,000</b>
<b>INTERFUND LOAN</b>					
6100 Principal*	-	-	-	-	-
6500 Interest *	2,818	1,427	-	-	-
<b>Total Expense</b>	<b>\$ 2,818</b>	<b>\$ 1,427</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>DEPRECIATION EXPENSE</b>					
5999 Depreciation Expense	70,208	60,763	78,000	78,000	87,205
<b>Total Depreciation Expense</b>	<b>\$ 70,208</b>	<b>\$ 60,763</b>	<b>\$ 78,000</b>	<b>\$ 78,000</b>	<b>\$ 87,205</b>
<b>TOTAL EXPENSES</b>	<b>\$ 409,393</b>	<b>\$ 406,817</b>	<b>\$ 562,510</b>	<b>\$ 596,671</b>	<b>\$ 605,082</b>

\*Also shown in Water Utility Operating Fund Summary sheet

**Town of Yountville**  
**WATER UTILITY OPERATIONS & DISTRIBUTION**  
**Water Fund 61 - Department 4505**

	<b>2014-15</b> <b>ACTUAL</b>	<b>2015-16</b> <b>ACTUAL</b>	<b>2016-17</b> <b>BUDGET</b>	<b>2017-18</b> <b>ADOPTED</b>
<b>STAFF ALLOCATIONS (FTE)</b>				
Town Manager	0.1250	0.1250	0.1250	0.1250
Public Works Director	0.1500	0.1500	0.1500	0.1500
Deputy Public Works Director	0.0500	0.0500	0.0500	0.0500
Public Works Manager	0.2000	0.2000	0.2000	-
Engineering Technician	0.1000	0.1000	0.1000	0.1000
Utility Operator	0.1000	0.1000	0.1000	0.1250
Maintenance Worker	0.5500	0.5500	0.0500	-
Water Service Maintenance Worker	-	-	0.7000	0.7000
Utility Operations Manager	0.0250	0.0250	0.0250	0.0500
Finance Director	0.1500	0.1500	0.1500	0.2500
Management Analyst	0.0500	0.0500	0.0500	0.1250
Accounting Technician	0.1500	0.1500	0.1500	0.0500
Accounting Assistant	0.2300	0.2300	-	-
Administrative Assistant	0.0500	0.0500	0.0500	0.1000
<b>TOTAL STAFF</b>	<b>1.9300</b>	<b>1.9300</b>	<b>1.9000</b>	<b>1.8250</b>

**Town of Yountville**  
**WATER UTILITY PURCHASES & CONSERVATION**  
**Water Fund 61 - Department 4507**

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**Department Overview**

The Town of Yountville has a long term contract with the State of California – Veterans Home to purchase water from Rector Reservoir located northeast of the Town limits along the Silverado Trail. Water purchase costs are accounted for in this department and include Rector Reservoir water purchases and City of Napa on a limited basis. The cost per acre foot varies with the amount of water purchased and Veterans Home costs to store and treat the water provided to the Town is shown in the table below:

Fiscal Year	Acre Feet Purchased	Cost Per Acre Foot	Total Cost
2006/07	522	\$500	\$260,770
2007/08	513	\$582	\$299,170
2008/09	507	\$667	\$338,085
2009/10	497	\$728	\$394,640
2010/11	514	\$657	\$337,517
2011/12	559	\$784	\$438,256
2012/13	581	\$665	\$391,332
2013/14	612	\$803	\$491,362
2014/15	604	\$919	\$525,953
2015/16	614	\$793	\$487,130

Costs for producing water supply from the Municipal Well are included in budget fund 4505: Water Utility Operations. In Fiscal Year 2015-16 the Town purchased 614 Acre Feet of water to distribute to all of its customers at a total cost of \$487,130.

On February 15, 2011, the Town Council adopted new water rates and fees that eliminated the General Fund subsidy. The rate increase is incorporated into the current revenue projection for the Water Utility Enterprise. The Town has continued to absorb increased operating costs including actual purchasing price of water from the state and costs related to maintenance and operation of the distribution system. A new rate study is underway and an update should be completed in 2017.

In 2009, the Town Council established the \$2 million Water Drought Reserve Fund (57-4507) with the proceeds from the sale of water rights to North Bay Aqueduct and Kern County water to provide funding to purchase water during a drought condition, if necessary.

**2016-2017 Accomplishments**

- Transitioned water meters to a cellular based meter reading system. This allows for the meter and accounting software to communicate and record usage. It also allows that information to be shared with the customer as well.
- Distributed the Annual Water Quality Consumer Confidence Report in an electronic format to the online bill paying customers.
- Completed an assessment with the Veterans Home Utility Staff to correct meter reading practices resulting in correct water distribution data and savings.

**Town of Yountville**  
**WATER UTILITY PURCHASES & CONSERVATION**  
**Water Fund 61 - Department 4507**

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**2017-2018 Goals and Objectives**

- Distribute the Annual Water Quality Consumer Confidence Report in an electronic format to the online bill paying customers.
- Complete and manage the Orion Meter reading system. This will include the utility billing component to insure an efficient and effective billing cycle.

**Budget Highlights**

- The Budget is down slightly as the amount of water purchased is down due to conservation efforts and Conservation Rebates have been reduced slightly.
- The Town will complete implementation of the wireless meters to include use of the online technology that will provide use and consumption information to all account holders.

**Did You Know?**

- PG&E Clothes Washer Rebates: 1 rebates = \$220/total payments
- Toilet Retrofit Rebates: 3 rebates = \$500/total payments
- Cash for Grass Rebates: 11 rebates = \$5,361/total payments

**Town of Yountville**  
**WATER UTILITY PURCHASES & CONSERVATION**  
**Water Operating Fund 61 - Department 4507**

		2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ESTIMATED	2017-18 ADOPTED
<b>PERSONNEL</b>						
4010	Salaries - Full Time	14,607	29,401	35,820	35,820	35,810
4012	Overtime	528	311	-	-	-
4013	Medicare & Fica	67	127	540	540	540
4020	Pers Employer Rate	2,491	1,861	3,520	6,509	5,943
4023	Pension Expense	(23,138)	(929)	-	-	-
4030	Deferred Compensation	792	508	1,980	1,980	2,460
4040	Health Insurance	3,027	2,659	6,800	6,800	6,260
4042	Dental Insurance	229	185	520	520	460
4043	Vision Insurance	-	-	-	-	120
4044	Life/Disability Insurance	104	79	300	300	300
4049	Allocated OPEB	3,840	4,560	6,960	6,960	5,210
4052	Cell Phone Allowance	-	-	-	-	144
4819	Allocated Liability Insurance	782	1,139	1,510	1,510	1,340
4839	Allocated Workers' Comp Insurance	1,117	1,208	1,350	1,350	900
<b>Total Personnel</b>		<b>\$ 4,446</b>	<b>\$ 41,110</b>	<b>\$ 59,300</b>	<b>\$ 62,289</b>	<b>\$ 59,487</b>
<b>SUPPLIES &amp; SERVICES</b>						
4120	Other Supplies & Materials	753	-	-	-	-
4210	Contract Services	272	226	-	-	-
4500	Conservation Rebates	21,215	26,129	20,000	20,000	10,000
4699	Allocated IT Costs	996	1,300	1,730	1,730	1,970
<b>Total Supplies &amp; Services</b>		<b>\$ 23,236</b>	<b>\$ 27,655</b>	<b>\$ 21,730</b>	<b>\$ 21,730</b>	<b>\$ 11,970</b>
<b>WATER PURCHASES</b>						
4550	Water Purchase - Veterans Home	525,953	492,396	602,070	550,000	493,000
4555	Water Purchase - City Of Napa	2,378	2,988	2,000	65,635	25,000
<b>Total Water Purchases</b>		<b>\$ 528,331</b>	<b>\$ 495,384</b>	<b>\$ 604,070</b>	<b>\$ 615,635</b>	<b>\$ 518,000</b>
<b>TOTAL EXPENSES</b>		<b>\$ 556,013</b>	<b>\$ 564,148</b>	<b>\$ 685,100</b>	<b>\$ 699,654</b>	<b>\$ 589,457</b>

**Town of Yountville**  
**WATER UTILITY PURCHASES & CONSERVATION**  
**Water Fund 61 - Department 4507**

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	<b>2014-15</b> <b>ACTUAL</b>	<b>2015-16</b> <b>ACTUAL</b>	<b>2016-17</b> <b>BUDGET</b>	<b>2017-18</b> <b>ADOPTED</b>
<b>STAFF ALLOCATIONS (FTE)</b>				
Public Works Director	0.1000	0.1000	0.1000	0.1000
Deputy Public Works Director	-	0.0500	0.0500	0.0500
Water Service Maintenance Worker	-	0.1000	0.1500	0.1500
Public Works Manager	0.0500	0.0250	0.0250	-
<b>TOTAL STAFF</b>	<b>0.1500</b>	<b>0.2750</b>	<b>0.3250</b>	<b>0.3000</b>

**Town of Yountville**  
**WATER UTILITY CAPITAL IMPROVEMENTS FUND**  
**Water Fund 60 - Department 4500**

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**Department Overview**

The Water Utility Capital Improvement Fund is a subsidiary fund of the Water Utility Operating Fund. This fund accounts for the acquisition and depreciation of water utility system improvements and major equipment. Funding is provided from transfers from the water operating fund, connection fees, interest earnings, and subsidies from the Town's General Fund.

In 2008/09, Town Council authorized a portion of the sale of the Town's rights to the Kern/North Bay Aqueduct (NBA) water be used to repay the inter-fund loan from the Wastewater Capital Improvement Fund. In 2011, the Town Council adopted new water rates and fees to eliminate the General Fund subsidy by 2017. In February 2016, Town staff prepared and issued an RFP for a utility rate study. Bartle Wells was selected to conduct the study which will be completed in 2017.

In September 2016, a section of main and the service laterals were replaced on Yountville Cross Road. This was done prior to reconstruction. Reviewing and replacing water infrastructure is a best management practice prior to reconstruction of a roadway that is designed to last 25 years.

An infrastructure replacement program is being prepared as part of the Capital Improvement Program to fund the repair or replacement of water pipelines when it is most cost effective.

**2016-2017 Accomplishments**

- Continued and completed Meter Replacement Program. (WA -2017).
- Completed Water Main Replacement on Yountville Cross Road (WA-0008).
- Design and execute Water Distribution System Improvements and Blow-offs (WA-0009).

**2017-2018 Goals and Objectives**

- Review Water Rate Study recommendations and incorporate into Capital Improvement Program as applicable.
- Complete No-Des Water Main Flushing Project.
- Implement and allocate replacement funds to build Reserve Fund Program for future capital project needs.

**Budget Highlights**

- Overall budget has decreased.

**Town of Yountville**  
**WATER UTILITY CAPITAL IMPROVEMENTS**  
**Fund 60 - Department 4500**

		<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ESTIMATED</b>	<b>ADOPTED</b>
<b>■ BEGINNING FUND BALANCE</b>		<b>\$ 2,195,124</b>	<b>\$ 2,238,354</b>	<b>\$ 2,433,303</b>	<b>\$ 2,470,938</b>	<b>\$ 2,790,892</b>
<b>REVENUE</b>						
3695	System Replacement Fees	76,520	87,309	76,500	87,205	87,205
	<b>Total Revenue</b>	<b>\$ 76,520</b>	<b>\$ 87,309</b>	<b>\$ 76,500</b>	<b>\$ 87,205</b>	<b>\$ 87,205</b>
<b>EXPENSES</b>						
6100	Principal - Interfund Loan (50)	-	-	-	-	-
6500	Interest - Interfund Loan (50)	-	2,868	-	-	-
	<b>Total Interest Expense</b>	<b>\$ -</b>	<b>\$ 2,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CAPITAL PROJECTS</b>						
WA-0002	Pressure Regulator Station Upgrades	49,326	29,870	-	-	-
WA-0005	Sample Stations & Locked Enclosures	31,310	-	-	-	-
WA-0006	Fixed Network/Meter Reading Project	-	-	-	129,710	-
WA-0008	Yountville Cross Rd Water Main Replacement	-	17,450	160,000	168,550	-
WA-0009	Water Dist. System Improvements/Blow-Offs	-	-	70,000	70,000	-
WA-2011	Water Meter Transmitter Replacements	3,527	3,527	-	-	-
WA-2015	Water Meter Transmitter Replacements	62,132	-	-	-	-
WA-2016	Water Meter Replacements	-	-	-	10,984	-
WA-2017	Water Meter Replacement Program	-	-	40,590	40,590	-
WA-2018	Water Meter Replacement Program	-	-	-	-	42,620
WA-3015	Service Lateral Replacements	-	-	-	-	-
WA-3016	Service Lateral Replacements	-	59,893	-	-	-
WA-3017	Main & Service Lateral Replacement Program	-	-	105,000	105,000	-
WA-3018	Main & Service Lateral Replacement Program	-	-	-	-	150,000
WA-4012	Hydrant Flushing	-	406	-	-	-
WA-4015	Hydrant Flushing	-	-	-	-	-
WA-4016	Hydrant & Main Flushing & Inventory	-	12,000	-	-	-
WA-4018	Hydrant & Main Flushing	-	-	-	-	35,000
WW-0002	Recycled Water Expansion Project	-	102	-	-	-
WW-4016	Hydrant Flushing	-	20,000	-	-	-
	<b>Total Capital Projects</b>	<b>\$ 146,294</b>	<b>\$ 143,248</b>	<b>\$ 375,590</b>	<b>\$ 524,834</b>	<b>\$ 227,620</b>
	<b>Total Expenses</b>	<b>\$ 146,294</b>	<b>\$ 146,116</b>	<b>\$ 375,590</b>	<b>\$ 524,834</b>	<b>\$ 227,620</b>
<b>NON-OPERATING REVENUE &amp; TRANSFERS</b>						
3301	Investment Earnings	494	1,069	-	1,186	1,000
3799	Water Connection Impact Fees (From 58)	-	15,741	-	31,563	-
3800	Miscellaneous Revenue	-	74,580	-	-	-
3900	Transfer In / (Out) Water Operating (61)	-	200,000	200,000	200,000	200,000
	<b>Total Non-Operating Revenue &amp; Transfers</b>	<b>\$ 494</b>	<b>\$ 291,391</b>	<b>\$ 200,000</b>	<b>\$ 232,749</b>	<b>\$ 201,000</b>
	Depreciable Capital Projects*	112,510	-	375,590	524,834	-
<b>■ ENDING FUND BALANCE</b>		<b>\$ 2,238,354</b>	<b>\$ 2,470,938</b>	<b>\$ 2,709,803</b>	<b>\$ 2,790,892</b>	<b>\$ 2,851,477</b>
	Net Change in Fund Balance	43,230	232,583	276,500	319,954	60,585
	<b>Funds Available for Capital Projects**</b>	<b>\$ 215,221</b>	<b>\$ 532,769</b>	<b>\$ 433,679</b>	<b>\$ 327,890</b>	<b>\$ 388,475</b>

\*Depreciable Capital Projects represents the amount for projects completed and does not include construction in progress.

\*\* Funds available for Capital Projects includes liquid assets, cash and investments less liabilities.

**Town of Yountville**  
**WATER DROUGHT RESERVE FUND**  
**Water Fund 57 - Department 4507**

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**Department Overview**

The Town Council established the Water Drought Reserve Fund from proceeds of the sale of the Town's North Bay Aqueduct (NBA) and Kern water rights in January 2009 to the City of Napa. This reserve fund provides a funding source for the purchase of additional water supply on the "spot market" in the event of an extended drought or other situation when water supply from the Veterans Home – State of California Department of Water Resources long term purchase agreement is not sufficient to meet demand. The City of Napa has agreed to provide water conservation education services to the Town, limited emergency water use, and serve as the Town's broker for purchase of water on the "spot market".

The 2010 Water and Wastewater Rate Study determined there would be a negative fund balance over the next five years. The Water Drought Reserve Fund loaned the Water Enterprise Fund sufficient funds to maintain a positive fund balance for operations and capital improvements. This loan was fully paid in Fiscal Year 2015-16.

**2016-2017 Accomplishments**

- Continued strong water conservation education outreach partnership with the City of Napa.
- Maintained a sufficient fund balance to allow the Town to purchase water on the "spot market" in event of drought or other emergency. As the Governor has declared the drought over, the Town did not need to purchase additional water supply.

**2017-2018 Goals and Objectives**

- Maintain sufficient fund balance to allow the Town to purchase water on the spot market in event of drought or other emergency. Continue with education outreach efforts, further implement "Cash for Grass" conversion program and other programs aimed at reducing outdoor watering.

**Budget Highlights**

- None expected. However, the Town and State remains in a drought situation and the situation could change potentially requiring use of the fund balance to fund expanded water conservation efforts or the purchase of additional water supply.

**Town of Yountville**  
**WATER DROUGHT RESERVE FUND**  
**Fund 57 - Department 4507**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ESTIMATED	2017-18 ADOPTED
<b>■ BEGINNING FUND BALANCE</b>	<b>\$ 2,042,437</b>	<b>\$ 2,048,017</b>	<b>\$ 2,107,570</b>	<b>\$ 2,054,445</b>	<b>\$ 2,059,531</b>
<b>NON-OPERATING REVENUE &amp; TRANSFERS</b>					
3301 Investment Earnings	2,762	5,002	2,000	5,086	5,000
3303 Interfund Loan Interest (61-4505)	2,818	1,427	-	-	-
3998 Interfund Loan Principal (61-4505)	-	-	-	-	-
<b>Total Non-Operating Revenue &amp; Transfers</b>	<b>\$ 5,580</b>	<b>\$ 6,429</b>	<b>\$ 2,000</b>	<b>\$ 5,086</b>	<b>\$ 5,000</b>
<b>■ ENDING FUND BALANCE</b>	<b><u>\$ 2,048,017</u></b>	<b><u>\$ 2,054,445</u></b>	<b><u>\$ 2,109,570</u></b>	<b><u>\$ 2,059,531</u></b>	<b><u>\$ 2,064,531</u></b>
Net Change in Fund Balance	5,580	6,429	2,000	5,086	5,000

**Town of Yountville**  
**WATER CONNECTION IMPACT FEE FUND**  
**Fund 58**

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**Department Overview**

The Water Connection Impact Fee Fund was established in June 2005, in accordance with the provisions of Ordinance No. 362-05 and Municipal Code Section 3.40 to account for impact fees collected for existing and planned water system facilities, projects and infrastructure.

Water Connection Impact Fees are collected on new residential and commercial development, conversion of existing development, and expansion of existing development as provided in Municipal Code Section 3.40. Approximately 43% of each impact fee collected is allocated to the 'buy in' of existing water system facilities and the remainder is allocated to the fund that finances approved water system projects.

The Town is nearing "build out" of the community. As such, impact fees will not be a significant revenue source going forward to assist in funding the construction and maintenance of the Town's water system. Impact Fees from the RH and Handwritten commercial projects will generate additional revenue this year. Future revenue is dependent on new or significant redevelopment activity.

**2016-2017 Accomplishments**

- Impact fees from the RH Gallery and Handwritten commercial projects remain underway and are collected at the time of building permit issuance.

**2017-2018 Goals and Objectives**

- Allocate any Impact Fees.

**Budget Highlights**

- Nominal. Current practice is not to budget impact fees as development is limited in number and timing is hard to predict. Impact Fees from the additional 3 rooms at the Bardessono and 5 rooms at the Villagio Inn may generate additional revenue. Impact Fees remain a declining capital project funding source.