

Town of Yountville - 2022 Water Financial Plan Update



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS



Town of Yountville Proposed Rates Overview

Introduction

Bartle Wells Associates (BWA) has been retained by the Town of Yountville to evaluate the Town's current water and wastewater rates and make recommendations on rate increases. At a public hearing, on Tuesday, February 6, 2018, the Town adopted 5 years of rate increases from FY 2016/17 through 2021/22. The Town now wants to update its water and wastewater rates for the next five years to reflect current costs of service. This document provides a comparison of the proposed rates and regional rates.

Proposed Water Enterprise Rates

Chart A shows a comparison of the Town's current and proposed water bills for an average single family user. The Town's current average bill of \$94.83 is below the regional average of \$95.48. The first proposed increase on January 1st, 2023, would increase the average bill to \$110.69.

- **Overall 11% Increases & Increase System Replacement Fee In Year 1:**
 - Increases the system replacement fee in Year 1 by a fixed dollar amount and 11% each year over the next 4 years.
 - All other rates would increase 11% each year over 5 years.
 - Adequately recovers capital costs without the need for transfers from the operating fund.
 - The first proposed increase on January 1st, 2023, would increase the average bill to \$110.69.

Proposed Wastewater Enterprise Rates

Chart B shows a comparison of the Town's current and proposed wastewater bills for an average single family user. The Town's current average bill of \$78.99 is below to the regional average of \$102.45. The first proposed increase on January 1st, 2023, would increase the average bill to \$83.25.

- **Overall 5.4%, 5.4%, 5.4%, 5.9%, 5.9% Annual Increases:**
 - Keeps the current wastewater rate structure and increase all rates by 5.4% the first three years, and 5.9% the next two years.
 - \$3.4 MM of total cash fund reserves projected by Year 5
 - Generates positive net revenue for additional capital projects or debt service by Year 5.

- The first proposed increase on January 1st, 2023, would increase the average bill to \$83.25.

Combined Bill Impacts

Chart C shows a comparison of the Town's current and proposed combined water and wastewater bills for an average single family user. The Town's current average bill of \$173.82 is below to the regional average of \$197.92. The first proposed increase on January 1st, 2023, would increase the average combined bill to \$193.94.

Chart A: Single Family Residential Monthly Water Rates as of July 1, 2022 (7 Kgal)

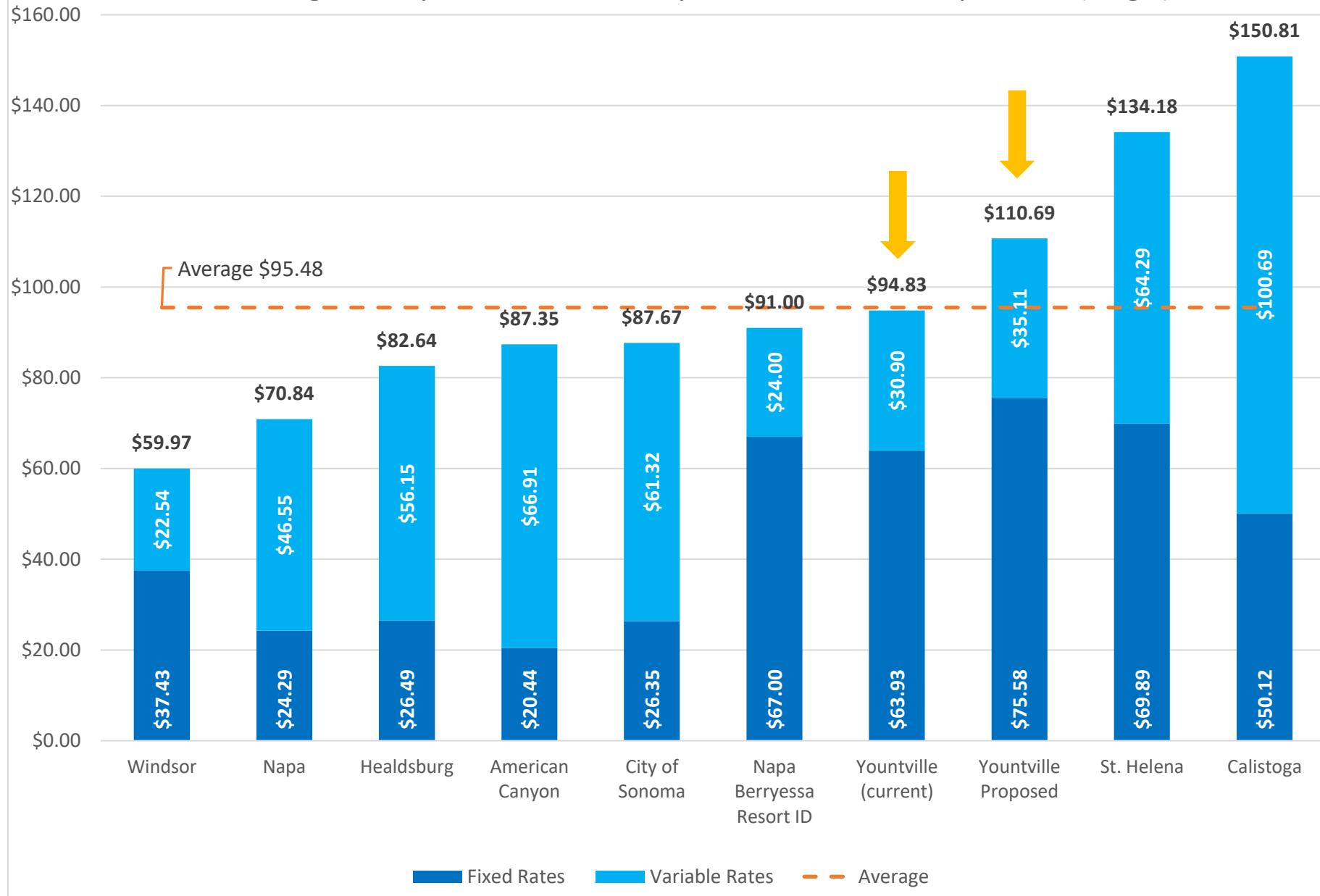


Chart B: Single Family Residence Monthly Wastewater Rates July 1, 2022
(6 Kgal)

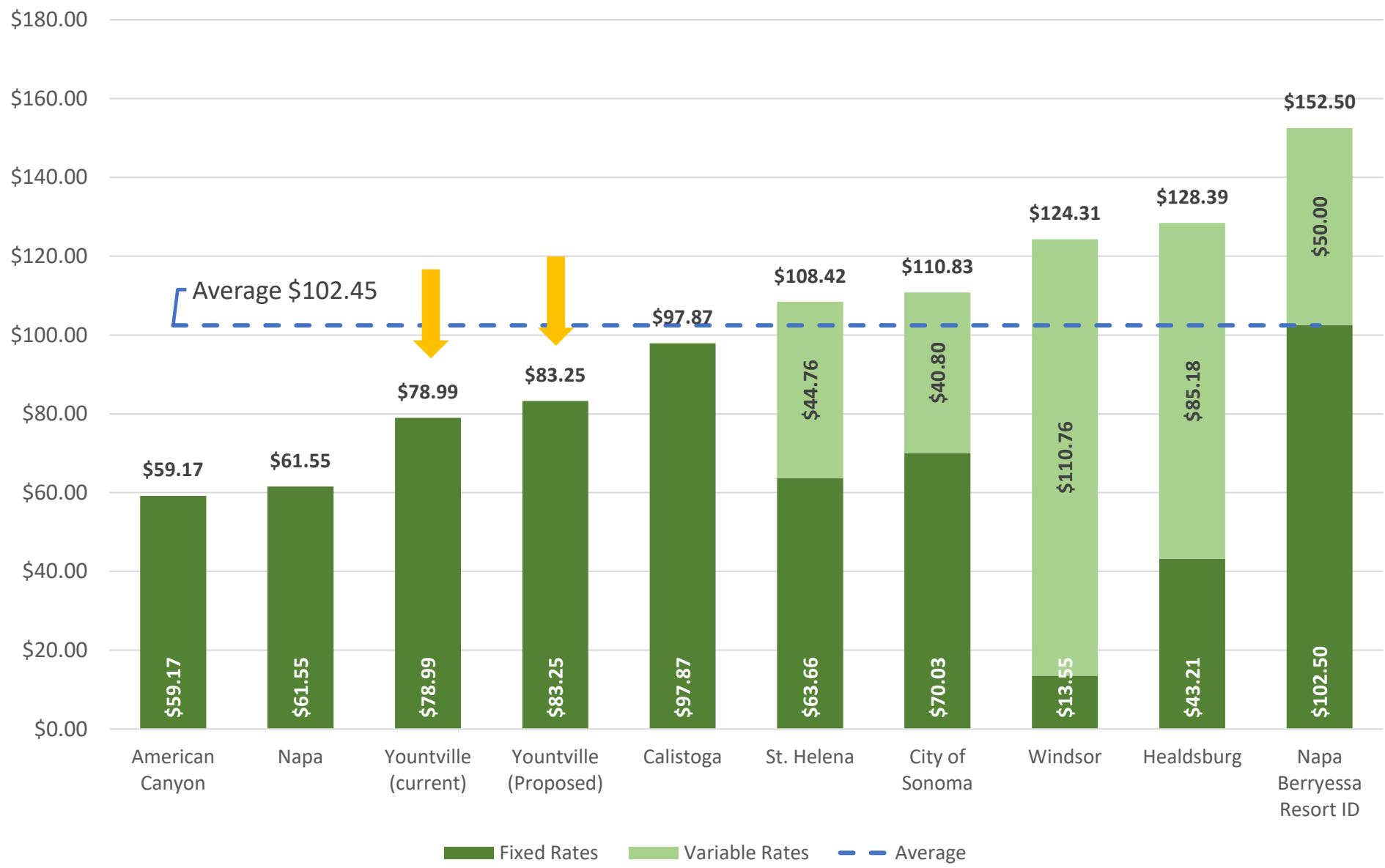


Chart C: Single Family Residential Monthly Combined Water & Sewer Bills as of July

1, 2022

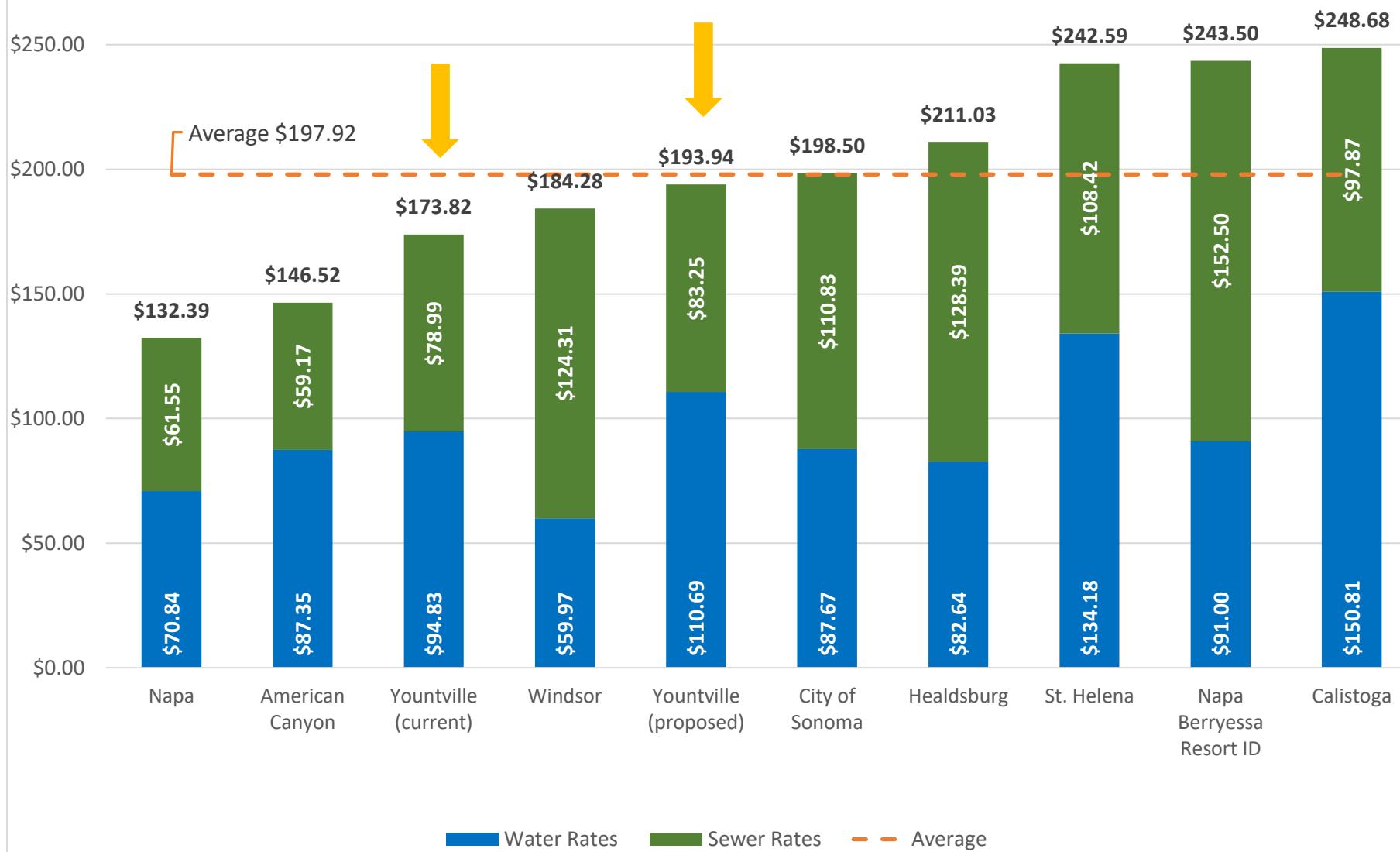


Table 1
 Town of Yountville - 2022 Water Financial Plan Update
Proposed Rates - 5 Year Rate Schedule

Effective Date	Current	Cost Allocation	11%	11%	11%	11%	11%
			1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2027
Monthly Fixed Charges¹							
Meter Size	1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
3/4"	\$55.15	\$55.15	\$61.22	\$67.95	\$75.43	\$83.73	\$92.94
1"	\$93.76	\$93.76	\$104.07	\$115.52	\$128.23	\$142.33	\$157.99
1-1/2"	\$182.02	\$182.00	\$202.02	\$224.25	\$248.91	\$276.29	\$306.69
2"	\$292.35	\$292.31	\$324.46	\$360.15	\$399.77	\$443.75	\$492.56
3"	\$551.60	\$551.53	\$612.20	\$679.54	\$754.29	\$837.26	\$929.36
4"	\$921.17	\$921.05	\$1,022.37	\$1,134.83	\$1,259.66	\$1,398.22	\$1,552.02
6"	\$1,836.82	\$1,836.59	\$2,038.61	\$2,262.86	\$2,511.77	\$2,788.07	\$3,094.75
8"	\$2,940.03	\$2,939.64	\$3,263.00	\$3,621.93	\$4,020.34	\$4,462.58	\$4,953.47
Water System Replacement Fee (\$/meter)¹							
Meter Size	1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
3/4"	\$8.78	\$12.94	\$14.36	\$15.94	\$17.70	\$19.64	\$21.80
1"	\$14.94	\$22.00	\$24.41	\$27.10	\$30.08	\$33.39	\$37.06
1-1/2"	\$28.99	\$42.70	\$47.39	\$52.61	\$58.39	\$64.82	\$71.95
2"	\$46.55	\$68.57	\$76.12	\$84.49	\$93.78	\$104.10	\$115.55
3"	\$87.84	\$129.39	\$143.62	\$159.42	\$176.95	\$196.42	\$218.02
4"	\$146.71	\$216.07	\$239.84	\$266.22	\$295.51	\$328.01	\$364.10
6"	\$292.53	\$430.85	\$478.25	\$530.85	\$589.25	\$654.06	\$726.01
8"	\$468.21	\$689.62	\$765.48	\$849.68	\$943.15	\$1,046.90	\$1,162.05
Fire Service Charge (\$/meter)							
Meter Size	1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
3/4"	\$11.03	\$11.03	\$12.24	\$13.59	\$15.08	\$16.74	\$18.59
1"	\$18.75	\$18.75	\$20.81	\$23.10	\$25.65	\$28.47	\$31.60
1-1/2"	\$36.40	\$36.40	\$40.41	\$44.85	\$49.79	\$55.26	\$61.34
2"	\$58.47	\$58.47	\$64.90	\$72.04	\$79.96	\$88.76	\$98.52
3"	\$110.32	\$110.32	\$122.45	\$135.92	\$150.88	\$167.47	\$185.89
4"	\$184.23	\$184.23	\$204.50	\$226.99	\$251.96	\$279.68	\$310.44
6"	\$367.36	\$367.36	\$407.77	\$452.63	\$502.42	\$557.69	\$619.03
8"	\$588.01	\$588.01	\$652.69	\$724.48	\$804.17	\$892.63	\$990.82
Volumetric Charges							
Customer Class	1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
Single Family Use							
Tier 1 (0-4 kgals)	\$4.15	\$4.18	\$4.64	\$5.16	\$5.72	\$6.35	\$7.05
Tier 2 (5+ kgals)*	\$4.76	\$5.05	\$5.51	\$6.02	\$6.59	\$7.22	\$7.92
All Other Use**	\$4.62	\$4.55	\$5.01	\$5.52	\$6.08	\$6.71	\$7.41

1 - Users outside Town subject to 1.7x proposed meter service and system replacement fee

*\$0.86 tier 2 conservation charge per unit

**\$0.36 conservation charge per unit

Table 1 - continued

Town of Yountville - 2022 Water Financial Plan Update

Proposed Rates - 5 Year Rate Schedule

Effective Date	Current	Outside of Town Rates						
		Cost Allocation		1/1/2023	1/1/2024	1/1/2025	1/1/2026	
		1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2027	
Monthly Fixed Charges								
Meter Service Charge (\$/meter)								
Meter Size	1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	
3/4"	\$93.75	\$93.76	\$104.07	\$115.52	\$128.23	\$142.33	\$157.99	
1"	\$159.39	\$159.39	\$176.92	\$196.39	\$217.99	\$241.97	\$268.58	
1-1/2"	\$309.44	\$309.41	\$343.44	\$381.22	\$423.15	\$469.70	\$521.37	
2"	\$496.99	\$496.93	\$551.59	\$612.26	\$679.61	\$754.37	\$837.35	
3"	\$937.71	\$937.60	\$1,040.73	\$1,155.21	\$1,282.29	\$1,423.34	\$1,579.90	
4"	\$1,565.99	\$1,565.79	\$1,738.02	\$1,929.21	\$2,141.42	\$2,376.97	\$2,638.44	
6"	\$3,122.60	\$3,122.20	\$3,465.64	\$3,846.86	\$4,270.01	\$4,739.71	\$5,261.08	
8"	\$4,998.05	\$4,997.39	\$5,547.10	\$6,157.28	\$6,834.59	\$7,586.39	\$8,420.89	
Water System Replacement Fee (\$/meter)								
Meter Size	1/1/2022	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	
3/4"	\$14.93	\$22.00	\$24.41	\$27.10	\$30.08	\$33.39	\$37.06	
1"	\$25.39	\$37.39	\$41.51	\$46.07	\$51.14	\$56.76	\$63.01	
1-1/2"	\$49.28	\$72.59	\$80.57	\$89.43	\$99.27	\$110.19	\$122.31	
2"	\$79.14	\$116.58	\$129.40	\$143.63	\$159.43	\$176.97	\$196.44	
3"	\$149.33	\$219.95	\$244.15	\$271.01	\$300.82	\$333.91	\$370.64	
4"	\$249.40	\$367.32	\$407.73	\$452.58	\$502.36	\$557.62	\$618.96	
6"	\$497.30	\$732.45	\$813.02	\$902.45	\$1,001.72	\$1,111.91	\$1,234.22	
8"	\$795.96	\$1,172.36	\$1,301.32	\$1,444.46	\$1,603.35	\$1,779.72	\$1,975.49	

Table 2

Town of Yountville - 2022 Water Financial Plan Update

Single Family Customers Proposed Rate Summary

Fixed Charge	Meter Size	Current	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
Service Charge	3/4"	\$55.15	\$61.22	\$67.95	\$75.43	\$83.73	\$92.94
System Replacement Fee	3/4"	<u>\$8.78</u>	<u>\$14.36</u>	<u>\$15.94</u>	<u>\$17.70</u>	<u>\$19.64</u>	<u>\$21.80</u>
Total Monthly Fixed Charge		\$63.93	\$75.58	\$83.90	\$93.12	\$103.37	\$114.74
Volumetric Charge	Tier Breakpoint	Current	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
Residential Tier 1	(0-4)	\$4.15	\$4.64	\$5.16	\$5.72	\$6.35	\$7.05
Residential Tier 2	(5+)	\$4.76	\$5.51	\$6.02	\$6.59	\$7.22	\$7.92

Table 3

Town of Yountville - 2022 Water Financial Plan Update

Monthly Bill Impact for Single Family Customers Within Town

Single Family Bill Impact	Monthly Gallons	Current	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
Low User	4,000	\$80.54	\$94.16	\$104.52	\$116.01	\$128.78	\$142.94
<i>\$ Increase</i>			\$13.61	\$10.36	\$11.50	\$12.76	\$14.17
Average User	7,000	\$94.83	\$110.69	\$122.58	\$135.78	\$150.43	\$166.69
<i>\$ Increase</i>			\$15.86	\$11.89	\$13.20	\$14.65	\$16.26
High User	10,000	\$109.12	\$127.22	\$140.64	\$155.54	\$172.08	\$190.43
<i>\$ Increase</i>			\$18.10	\$13.42	\$14.90	\$16.54	\$18.36

Table 4: Single Family Residential Monthly Water Rates as of July 1, 2022 (7 Kgal)

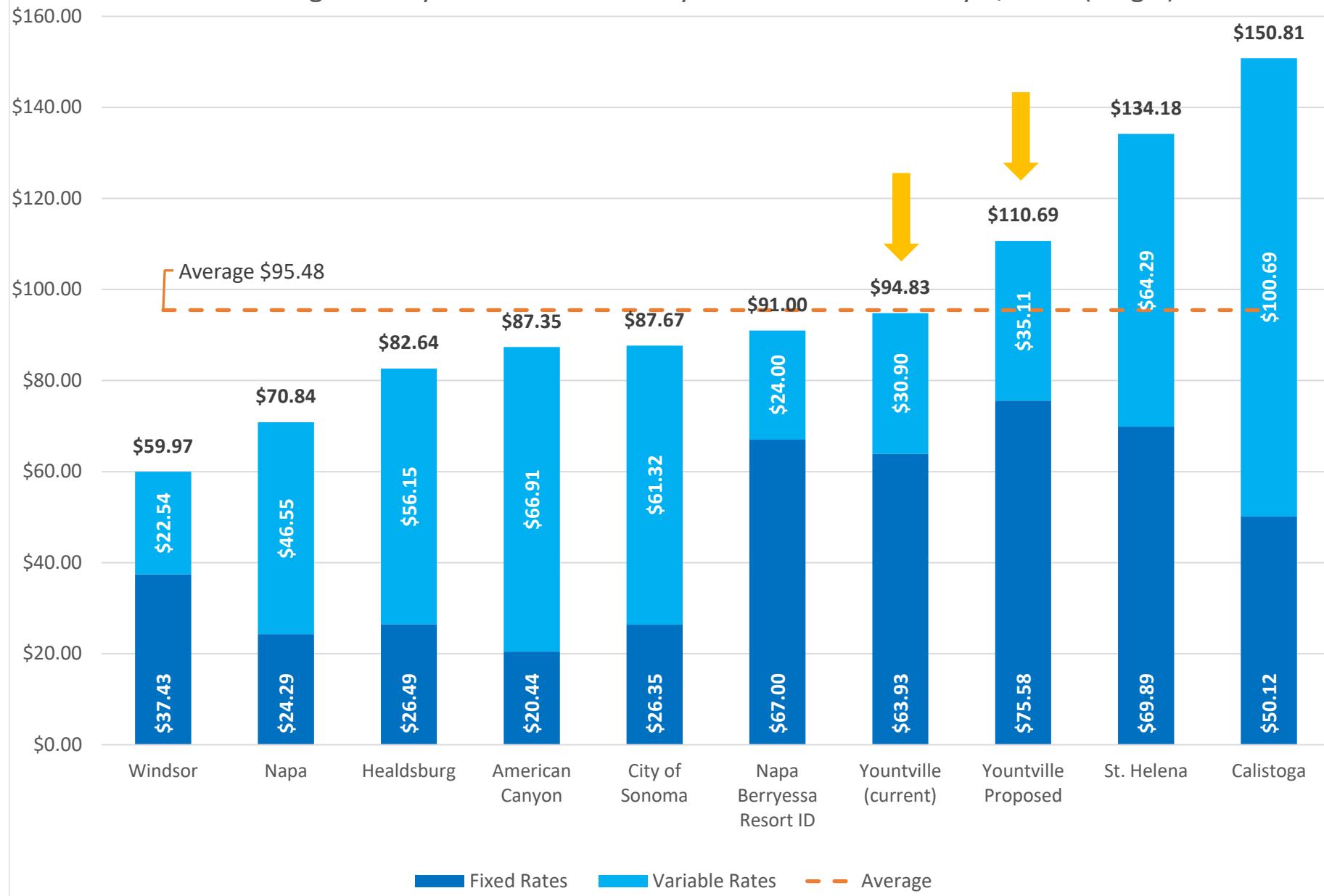


Table 5: Single Family Residential Monthly Combined Water & Sewer Bills as of July

1, 2022



Table 6

Town of Yountville - 2022 Water Financial Plan Update

Current Rates*Rates established January 1, 2022***Monthly Fixed Charges**

Meter Size	3/4" Meter Ratio	Meter Service Charge		
		\$/Meter Inside Town	\$/Meter Outside Town	Outside/Inside Ratio
3/4"	1.0	\$55.15	\$93.75	1.70
1"	1.7	\$93.76	\$159.39	1.70
1-1/2"	3.3	\$182.02	\$309.44	1.70
2"	5.3	\$292.35	\$496.99	1.70
3"	10.0	\$551.60	\$937.71	1.70
4"	16.7	\$921.17	\$1,565.99	1.70
6"	33.3	\$1,836.82	\$3,122.60	1.70
8"	53.3	\$2,940.03	\$4,998.05	1.70

Water System Replacement Fee

Meter Size	3/4" Meter Ratio	\$/Meter Inside Town	\$/Meter Outside Town	Outside/Inside Ratio
3/4"	1.0	\$8.78	\$14.93	1.70
1"	1.7	\$14.94	\$25.39	1.70
1.5"	3.3	\$28.99	\$49.28	1.70
2"	5.3	\$46.55	\$79.14	1.70
3"	10.0	\$87.84	\$149.33	1.70
4"	16.7	\$146.71	\$249.40	1.70
6"	33.3	\$292.53	\$497.30	1.70
8"	53.3	\$468.21	\$795.96	1.70

Monthly Volumetric Charges

User Class	Usage Tier	Usage Charge		
		\$/kgal Inside Town	\$/kgal Outside Town	Outside/Inside Ratio
Single Family				
Tier 1	0-4,000 gallons	\$4.15	\$4.15	1.00
Tier 2	5,000 gallons+	\$4.76	\$4.76	1.00
Multi Family	All Use	\$4.62	\$4.62	1.00
Non-Residential	All Use	\$4.62	\$4.62	1.00

Source: Town of Yountville Resolution 2947-11

Table 7

Town of Yountville - 2022 Water Financial Plan Update

Water Cash Fund Balance as of June 30, 2021

Reserve Fund	Beginning Balance 6/30/2021
Unrestricted	
Fund 61 - Water Utility Operating Fund	\$277,498
Fund 58 - Water Connection Impact Fee Fund	0
Fund 60 - Water Utility Capital Improvements Fund	<u>669,855</u>
Total Unrestricted Water Utility Cash Fund Balance	\$947,352
Restricted	
Fund 57 - Water Drought Reserve Fund ¹	<u>\$851,672</u>
Total Restricted Water Utility Cash Fund Balance	\$851,672

1 - Restricted for drought-related expenses

Table 8
 Town of Yountville - 2022 Water Financial Plan Update
Projected Operating Expenditures

Expense Category	Actual 2018/19	Actual 2019/20	Actual 2020/21	Budget 2021/22	Budget 2022/23	Annual Escalation Factor	2023/24	2024/25	2025/26	Projected 2026/27	2027/28	2028/29	2029/30
Operations & Distribution - Fund 61 (4505)													
Personnel	\$356,509	\$383,223	\$392,069	\$380,452	\$488,111	5.5%	\$514,958	\$543,280	\$573,161	\$604,684	\$637,942	\$673,029	\$710,045
Supplies	8,154	5,973	6,435	12,300	25,980	3.0%	26,759	27,562	28,389	29,241	30,118	31,021	31,952
Services	70,166	43,688	44,958	65,875	94,125	5.5%	99,302	104,763	110,525	116,604	123,018	129,784	136,922
Repair & Maintenance	36,513	41,491	19,540	36,500	39,000	3.0%	40,170	41,375	42,616	43,895	45,212	46,568	47,965
IT & Telecommunication	5,479	6,872	5,053	9,060	10,710	2.0%	10,924	11,143	11,366	11,593	11,825	12,061	12,302
Staff Development	10,451	8,179	1,872	12,500	7,500	3.0%	7,725	7,957	8,195	8,441	8,695	8,955	9,224
Insurance/Claims	15,791	26,470	25,893	26,328	34,349	3.0%	35,379	36,441	37,534	38,660	39,820	41,015	42,245
Community Promotion	1,200	1,288	1,350	1,500	1,500	3.0%	1,545	1,591	1,639	1,688	1,739	1,791	1,845
Machinery & Equipment	5,000	4,000	1,925	6,500	6,500	3.0%	6,695	6,896	7,103	7,316	7,535	7,761	7,994
Total Operations & Distribution	\$509,264	\$521,184	\$499,096	\$551,015	\$707,775		\$743,457	\$781,008	\$820,528	\$862,123	\$905,903	\$951,985	\$1,000,495
<i>Percent Change</i>						5.0%		5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
Purchases & Conservation - Fund 61 (4507)													
Personnel	\$57,453	\$65,416	\$63,187	\$59,423	\$75,662	5.5%	\$79,824	\$84,214	\$88,846	\$93,732	\$98,888	\$104,326	\$110,064
Supplies	0	0	311	750	1,280	3.0%	1,318	1,358	1,399	1,441	1,484	1,528	1,574
Conservation Rebates	1,059	669	1,416	5,625	5,625	3.0%	5,794	5,968	6,147	6,331	6,521	6,717	6,918
IT & Telecommunication	912	1,144	839	1,210	1,440	2.0%	1,469	1,498	1,528	1,559	1,590	1,622	1,654
Insurance/Claims	2,434	4,100	3,845	3,712	4,628	3.0%	4,767	4,910	5,057	5,209	5,365	5,526	5,692
Water Purchases													
Water Purchase - Veterans Home	768,507	1,105,408	993,325	693,564	762,920	10.0%	839,212	923,134	1,015,447	1,116,992	1,228,691	1,351,560	1,486,716
Water Purchase-City Of Napa	391,150	124,161	24,382	10,000	25,000	3.0%	25,750	26,523	27,318	28,138	28,982	29,851	30,747
Water Purchase-County Of Napa	0	0	0	0	0		0	0	0	0	0	0	0
Total Operations & Distribution	\$1,221,515	\$1,300,898	\$1,087,305	\$774,285	\$876,556		\$958,134	\$1,047,604	\$1,145,741	\$1,253,401	\$1,371,520	\$1,501,130	\$1,643,365
<i>Percent Change</i>						9.3%		9.3%	9.4%	9.4%	9.4%	9.5%	9.5%
Total Water Utility Operating Expenses													
Personnel	\$413,962	\$448,639	\$455,256	\$439,876	\$563,774		\$594,781	\$627,494	\$662,006	\$698,417	\$736,830	\$777,355	\$820,110
Supplies	8,154	5,973	6,746	13,050	27,260		28,078	28,920	29,788	30,681	31,602	32,550	33,526
Services	70,166	43,688	44,958	65,875	94,125		99,302	104,763	110,525	116,604	123,018	129,784	136,922
Repair & Maintenance	36,513	41,491	19,540	36,500	39,000		40,170	41,375	42,616	43,895	45,212	46,568	47,965
IT & Telecommunication	6,392	8,016	5,892	10,270	12,150		12,393	12,641	12,894	13,152	13,415	13,683	13,957
Staff Development	10,451	8,179	1,872	12,500	7,500		7,725	7,957	8,195	8,441	8,695	8,955	9,224
Insurance/Claims	18,225	30,570	29,738	30,040	38,977		40,146	41,351	42,591	43,869	45,185	46,541	47,937
Community Promotion	1,200	1,288	1,350	1,500	1,500		1,545	1,591	1,639	1,688	1,739	1,791	1,845
Machinery & Equipment	5,000	4,000	1,925	6,500	6,500		6,695	6,896	7,103	7,316	7,535	7,761	7,994
Conservation Rebates	1,059	669	1,416	5,625	5,625		5,794	5,968	6,147	6,331	6,521	6,717	6,918
Water Purchases	1,159,657	1,229,569	1,017,708	703,564	787,920		864,962	949,656	1,042,765	1,145,129	1,257,673	1,381,411	1,517,463
Total Water Utility Operating Expenses	\$1,730,779	\$1,822,082	\$1,586,401	\$1,325,300	\$1,584,331		\$1,701,591	\$1,828,612	\$1,966,270	\$2,115,523	\$2,277,423	\$2,453,116	\$2,643,860
<i>Total Percent Change</i>						7.4%		7.5%	7.5%	7.6%	7.7%	7.7%	7.8%

Table 9
 Town of Yountville - 2022 Water Financial Plan Update
Water Capital Improvement Projects

Five Year Capital Improvement Program							
Program #	Project	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	Total
Capital Improvement Program							
WA-0015	Hydrant Repair and Replacement		\$35,000		\$38,500		\$73,500
WA-0018	Upgrade SCADA System						
	Emergency Well to Operational						
	Well	\$140,000					\$140,000
WA-0019	1MG Well Water Tank/ Pump						
	Station and Transmission Main;						
	Design, Permitting and						
	Construction				\$250,000	\$4,800,000	\$5,050,000
WA-0020	Water System Inter tie projects		\$65,000				\$65,000
WA-0021	Relocation of Harvest Ct Fire Hydrant	\$15,000					\$15,000
WA-0022	Clay Valve Rebuild at Finnell Rd						
	and Yount, and Finnell Rd and						
	Yountville XRd	\$8,000					\$8,000
WA-0023	Water Meter Replacement Program	\$30,500	\$32,000	\$33,500	\$35,500	\$37,500	\$169,000
WA-3023	Main and Service Lateral						
	Replacement Program				\$191,500	\$201,000	\$392,500
WA-4023	Hydrant & Main Flushing with No-Des				\$50,000		\$50,000
Total Water Capital Expenses		\$193,500	\$132,000	\$33,500	\$565,500	\$5,038,500	\$5,963,000

Source: TOWN OF YOUNTVILLE 5 YEAR CIP 2022/23

Table 10
 Town of Yountville - 2022 Water Financial Plan Update
Interfund Debt Service

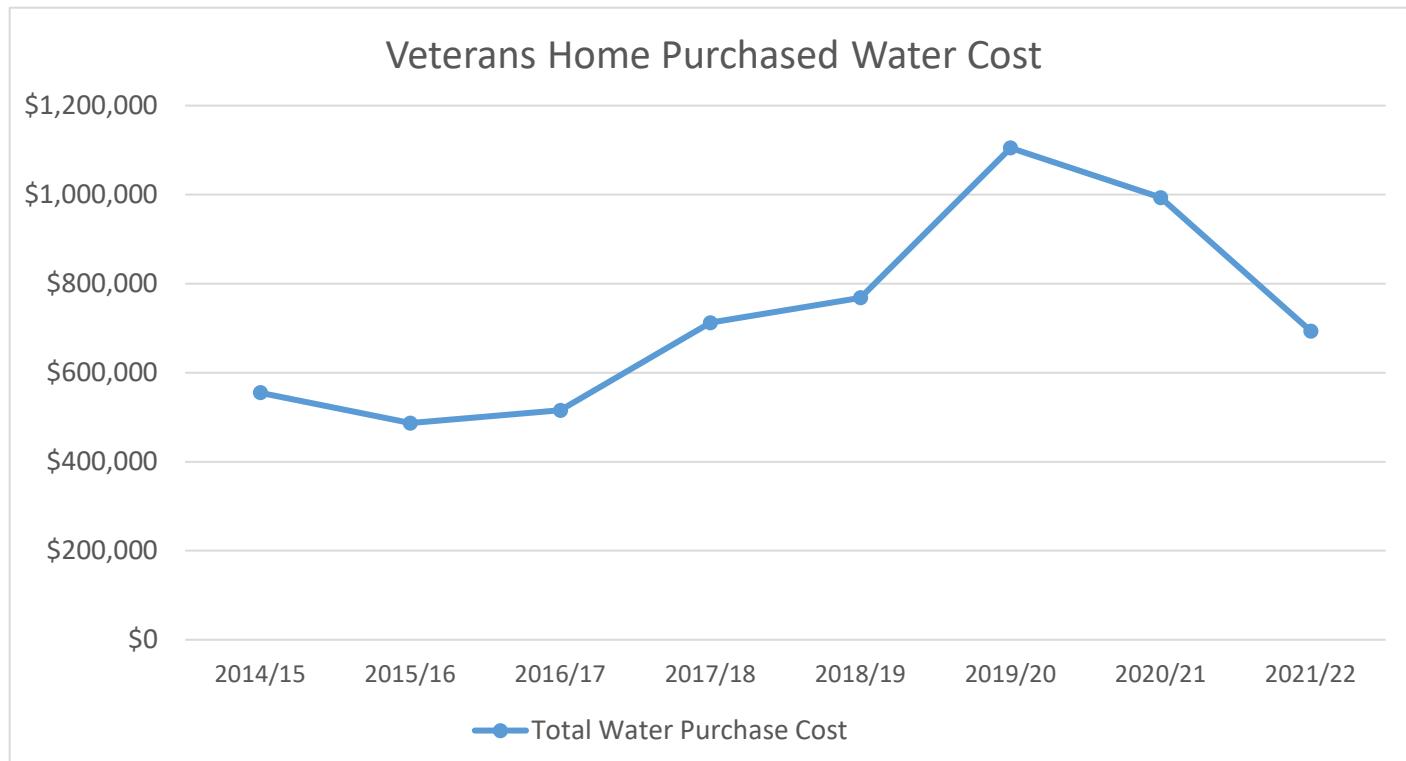
Interfund Loan from Water Drought Reserve Fund 57 to Water Capital Improvements Fund 60

	Beginning	Interest Rate	Principal	Interest	Total Payment	Balance 9/1	
9/1/2020	\$ 1,100,000.00	1%	\$ 105,140.28	\$ 11,000.00	\$ 116,140.28	\$ 994,859.72	Make payment on 9/1/21
9/1/2021	\$ 994,859.72	1%	\$ 106,191.69	\$ 9,948.60	\$ 116,140.28	\$ 888,668.03	Make payment on 9/1/22
9/1/2022	\$ 888,668.03	1%	\$ 107,253.60	\$ 8,886.68	\$ 116,140.28	\$ 781,414.42	Make payment on 9/1/23
9/1/2023	\$ 781,414.42	1%	\$ 108,326.14	\$ 7,814.14	\$ 116,140.28	\$ 673,088.28	Make payment on 9/1/24
9/1/2024	\$ 673,088.28	1%	\$ 109,409.40	\$ 6,730.88	\$ 116,140.28	\$ 563,678.88	Make payment on 9/1/25
9/1/2025	\$ 563,678.88	1%	\$ 110,503.50	\$ 5,636.79	\$ 116,140.28	\$ 453,175.39	Make payment on 9/1/26
9/1/2026	\$ 453,175.39	1%	\$ 111,608.53	\$ 4,531.75	\$ 116,140.28	\$ 341,566.86	Make payment on 9/1/27
9/1/2027	\$ 341,566.86	1%	\$ 112,724.62	\$ 3,415.67	\$ 116,140.28	\$ 228,842.24	Make payment on 9/1/28
9/1/2028	\$ 228,842.24	1%	\$ 113,851.86	\$ 2,288.42	\$ 116,140.28	\$ 114,990.38	Make payment on 9/1/29
9/1/2029	\$ 114,990.38	1%	<u>\$ 114,990.38</u>	<u>\$ 1,149.90</u>	<u>\$ 116,140.28</u>	\$ 0.00	Make payment on 9/1/30
			\$ 1,100,000.00	\$ 61,402.83	\$ 1,161,402.80		

Table 11
 Town of Yountville - 2022 Water Financial Plan Update
Financial Projections Including Proposed Rate Increases

	Budget	Budget	Projections				
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Water Rate Adjustments, January 1st (Mid Fiscal Year)			11.0%	11.0%	11.0%	11.0%	11.0%
WATER - OPERATING REVENUES							
Water Rate Revenues	\$1,600,543	\$1,623,957	\$1,712,936	\$1,895,858	\$2,098,903	\$2,324,282	\$2,574,453
Interest on Reserves (est. 1%)	307	350	5,821	7,222	9,293	12,145	15,903
Other Income	<u>2,895</u>	<u>5,625</u>	<u>5,625</u>	<u>5,625</u>	<u>5,625</u>	<u>5,625</u>	<u>5,625</u>
SUBTOTAL	\$1,603,745	\$1,629,932	\$1,724,382	\$1,908,706	\$2,113,821	\$2,342,053	\$2,595,981
WATER - CAPITAL REVENUES							
System Replacement Fees	\$118,275	\$126,685	\$204,670	\$227,184	\$252,174	\$279,913	\$310,703
Interest on Reserves (est. 1%)	2,953	3,500	4,966	4,966	4,806	5,879	0
Water Impact Fees	71,935	0	0	0	0	0	0
Grant Funding	<u>\$0</u>	<u>\$0</u>	<u>\$100,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,800,000</u>
SUBTOTAL	\$193,163	\$130,185	\$309,636	\$232,150	\$256,980	\$285,792	\$5,110,703
TOTAL REVENUE	\$1,796,907	\$1,760,117	\$2,034,018	\$2,140,855	\$2,370,801	\$2,627,845	\$7,706,685
	Budget	Budget	Projections				
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
WATER - OPERATING EXPENSES							
Personnel	\$455,256	\$439,876	\$563,774	\$594,781	\$627,494	\$662,006	\$698,417
Supplies	6,746	13,050	27,260	28,078	28,920	29,788	30,681
Services	44,958	65,875	94,125	99,302	104,763	110,525	116,604
Repair & Maintenance	19,540	36,500	39,000	40,170	41,375	42,616	43,895
IT & Telecommunication	5,892	10,270	12,150	12,393	12,641	12,894	13,152
Staff Development	1,872	12,500	7,500	7,725	7,957	8,195	8,441
Insurance/Claims	29,738	30,040	38,977	40,146	41,351	42,591	43,869
Community Promotion	1,350	1,500	1,500	1,545	1,591	1,639	1,688
Machinery & Equipment	1,925	6,500	6,500	6,695	6,896	7,103	7,316
Conservation Rebates	1,416	5,625	5,625	5,794	5,968	6,147	6,331
Water Purchases	<u>1,017,708</u>	<u>703,564</u>	<u>787,920</u>	<u>864,962</u>	<u>949,656</u>	<u>1,042,765</u>	<u>1,145,129</u>
SUBTOTAL	\$1,586,401	\$1,325,300	\$1,584,331	\$1,701,591	\$1,828,612	\$1,966,270	\$2,115,523
TOTAL OPERATING EXPENSES	\$1,586,401	\$1,325,300	\$1,584,331	\$1,701,591	\$1,828,612	\$1,966,270	\$2,115,523
WATER - CAPITAL EXPENSES							
Drought Interfund Loan	\$116,140	\$116,140	\$116,140	\$116,140	\$116,140	\$116,140	\$116,140
Capital Improvement Program	<u>1,003,278</u>	<u>187,304</u>	<u>193,500</u>	<u>132,000</u>	<u>33,500</u>	<u>565,500</u>	<u>5,038,500</u>
SUBTOTAL	\$1,119,418	\$303,445	\$309,640	\$248,140	\$149,640	\$681,640	\$5,154,640
TOTAL EXPENSES	\$2,705,819	\$1,628,745	\$1,893,971	\$1,949,731	\$1,978,252	\$2,647,910	\$7,270,164
Ending Cash Balance (61 - Operating Fund)	\$277,498	\$582,130	\$722,181	\$929,296	\$1,214,505	\$1,590,288	\$2,070,745
Target 30% of O&M	\$475,920	\$397,590	\$475,299	\$510,477	\$548,584	\$589,881	\$634,657
Target Met?	No	Yes	Yes	Yes	Yes	Yes	Yes
Ending Cash Balance (60 - CIP Fund)	\$669,855	\$496,595	\$496,591	\$480,600	\$587,940	\$192,092	\$148,155
Target - 5% Asset Value	147,488	147,488	147,488	147,488	147,488	147,488	147,488
Target Met?	Yes						
Ending Cash Balance (57 - Drought Fund)	\$851,672	\$983,952	\$1,109,932	\$1,237,172	\$1,365,684	\$1,495,481	\$1,626,576
Total Reserves	\$1,799,024	\$2,062,677	\$2,328,704	\$2,647,067	\$3,168,128	\$3,277,860	\$3,845,476
Days O&M in Reserve	414	568	536	568	632	608	663

Table 12
 Town of Yountville - 2022 Water Financial Plan Update
Wholesale Water Rate - Veteran's Home



Veterans Home Purchase		Water Purchased		Average Cost per AF		Total Water Purchase Cost	
Year		AF	% Change	\$	% Change	\$	% Change
2014/15		604	-1%	\$919	14.4%	\$555,076	12.9%
2015/16		614	2%	\$793	-13.7%	\$486,902	-12.3%
2016/17		429	-30%	\$1,202	51.6%	\$515,658	5.9%
2017/18		479	12%	\$1,487	23.7%	\$712,649	38.2%
2018/19		358	-25%	\$2,147	44.4%	\$768,507	7.8%
2019/20		544	52%	\$2,031	-5.4%	\$1,104,864	43.8%
2020/21		556	2%	\$1,787	-12.0%	\$993,325	-10.1%
2021/22		362	-35%	\$1,916	7.2%	\$693,564	-30.2%

Source: Water Utility Enterprise 2021/22 Budget

Table 13
 Town of Yountville - 2022 Water Financial Plan Update
Current Accounts and Water Usage

Accounts by Meter Size				
Meter Size	Avg Billed Accounts	3/4" Meter Ratio	3/4" Meter Equivalent Units	% total
3/4"	682.0	1.0	682.0	55%
1"	86.0	1.7	146.2	12%
1.5"	18.0	3.3	59.4	5%
2"	45.0	5.3	238.5	19%
3"	4.0	10.0	40.0	3%
4"	3.0	16.7	50.1	4%
6"	1.0	33.3	33.3	3%
8"	<u>0.0</u>	53.3	<u>0.0</u>	<u>0%</u>
Total	839		1,249.5	100%

Usage by Customer Class		
Customer Class	Est. 2021/22 Use (kgals)	%
Single Family Use	FY 2021/22 Actual	
Tier 1 (0-4 kgals)	27,609	20%
Tier 2 (5+ kgals)	<u>19,869</u>	<u>14%</u>
Subtotal Singe Family	47,478	34%
All Other Users	FY 2021/22 Actual	
Mobile Home	17,278	13%
Multi Unit Residential	15,665	11%
<u>Non-Residential</u>	<u>57,761</u>	<u>42%</u>
Subtotal All Other Users	90,704	66%
Total Kgals	138,182	100%
Total Acre Feet	424	

	Acre Feet	Kgals
Est. Required Purchases (AF) - 0 % Water Loss	424	138,182
Less: Est. Well Production (AF)	62	20,229
Est. Required Water Purchases	362	117,953
Est. Cost 2021/22	\$1,916.00	\$693,564

Table 14
Town of Yountville - 2022 Water Financial Plan Update
Water Revenue Calculation

I. Meter Service Charge	Rate	# Meters	Revenue
Meter Size	1/1/22	1/1/22	1/1/22
3/4"	\$55.15	682	\$451,334
1"	\$93.76	86	\$96,761
1-1/2"	\$182.02	18	\$39,317
2"	\$292.35	45	\$157,868
3"	\$551.60	4	\$26,477
4"	\$921.17	3	\$33,162
6"	\$1,836.82	1	\$22,042
8"	\$2,940.03	0	\$0
		839	\$826,960
II. Water System Replacement Fee	Rate	# Meters	Revenue
Meter Size	1/1/22	1/1/22	1/1/22
3/4"	\$8.78	682	\$71,855
1"	\$14.94	86	\$15,415
1-1/2"	\$28.99	18	\$6,262
2"	\$46.55	45	\$25,137
3"	\$87.84	4	\$4,216
4"	\$146.71	3	\$5,281
6"	\$292.53	1	\$3,510
8"	\$468.21	0	\$0
		839	\$131,678
III. Volume Charges	Rate	Est. Consumption	Revenue
Customer Class	1/1/22	1/1/22	1/1/22
Single Family Use			
Tier 1 (0-4 kgals)	\$4.15	27,609	\$114,692
Tier 2 (5+ kgals)	\$4.76	19,869	\$94,617
All Other Use	\$4.62	<u>90,704</u>	<u>\$418,893</u>
		138,182	\$628,203
IV. Fire Charges	Rate	# Meters	Revenue
Meter Size	1/1/22	1/1/22	1/1/22
3/4"	\$11.03	0	\$0
1"	\$18.75	0	\$0
1-1/2"	\$36.40	0	\$0
2"	\$58.47	3	\$2,105
3"	\$110.32	0	\$0
4"	\$184.23	19	\$42,005
6"	\$367.36	24	\$105,801
8"	\$588.01	3	<u>\$21,168</u>
		49	\$171,079
Total Rate Revenue			\$1,757,920

**** conservative estimation: does not include outside city surcharge revenue or fire revenue**

Table 15
Town of Yountville - 2022 Water Financial Plan Update
Cost Allocation

<u>Fixed Costs</u>	<u>2022</u>	<u>Meter Equivalents</u>	<u>Rate</u>
System Replacement Fee (CIP Contribution)	\$131,678	1,250	\$8.78
Private Fire	\$171,079		
<u>Meter Charge</u>	<u>\$826,960</u>	<u>1,250</u>	<u>\$55.15</u>
Subtotal	\$1,129,718		
Optional System Replacement Fee Increase	\$194,000	1,250	\$12.94
<u>Volumetric Costs</u>		<u>Usage (kgals)</u>	<u>Rate \$/kgal</u>
Conservation Program Costs (Tier 2)	\$50,000		
<u>All Water Usage</u>	<u>\$578,203</u>	<u>138,182</u>	<u>\$4.18</u>
Subtotal	\$628,203		
Total Rate Revenue Requirement	\$1,757,920		

% Fixed	64%
% Variable	<u>36%</u>
	100%

Revenue Requirement (FY 2021/22 Total Costs)	\$1,757,920
Fixed Revenue	\$1,129,718
Variable Revenue	\$628,203

Table 16
 Town of Yountville - 2022 Water Financial Plan Update
 Tier Cost Basis

Conservation Program Charge Calculation

	<u>Usage (kgals)</u>	<u>% Usage</u>	<u>Costs</u>
Non SFR Total Use	90,704	66%	\$32,820
SFR Total Use	47,478	34%	\$17,180
	138,182	100%	\$50,000

	<u>Conservation Program</u>		
	<u>Usage (kgals)</u>	<u>Costs</u>	<u>Rate \$/kgal</u>
Non SFR Charge (All Usage)	138,182	\$50,000	\$0.36
SFR Tier 2	19,869	\$17,180	\$0.86

	<u>All Usage Rate</u>	<u>Conservation Rate</u>	<u>Total Rate</u>
Non SFR Charge (All Usage)	\$4.18	\$0.36	\$4.55
SFR Tier 1 Rate	\$4.18	\$0.00	\$4.18
SFR Tier 2 Rate	\$4.18	\$0.86	\$5.05