



Water & Sewer Rate Study

Napa Berryessa Resort Improvement District

ROBERT D. NIEHAUS, INC.

OCTOBER 29, 2024

NBRID Water & Sewer Utilities

Five Year Financial Recap

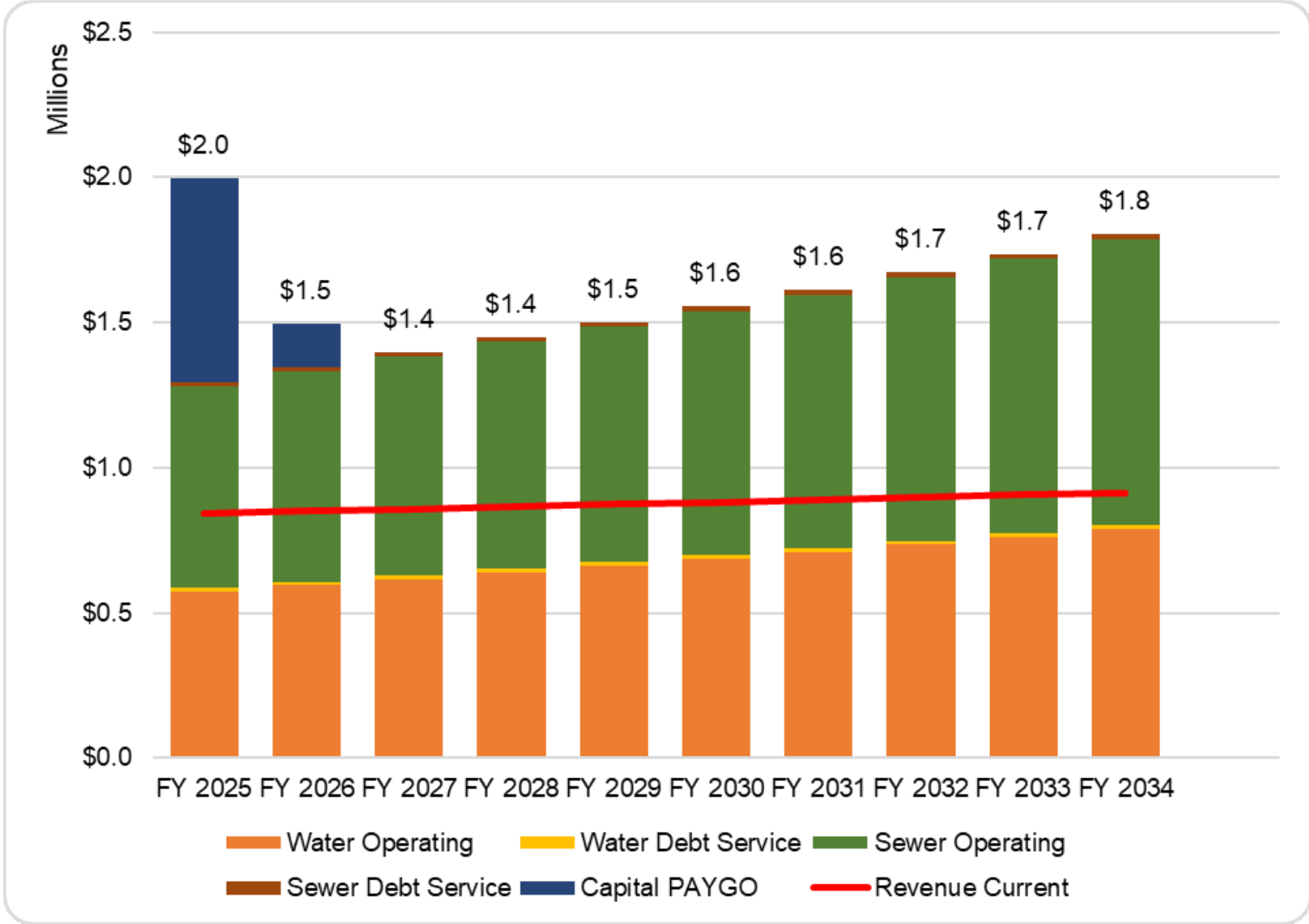
- RDN Initiates Cost of Service and Rate Study Early 2020
- August 2020 LNU Wildfire – Nearly 1/3 of Customer Base Lost
- Annual Operating Budget Deficits
- Unplanned Maintenance Expenses / Outdated Infrastructure
- Post-Fire Revisions to Financial Projections / User Rate Analyses
- December 2021 Water & Sewer User Rate Increase (15%)
- 2023 / 2024 Median Household Income Survey & Report (DAC)
 - - Eligible for \$16M in State Funding Program Grants
 - - County Loan Debt Relief / Balanced Budget to Qualify
- 2024 Total County Loan Amount to District - \$5M



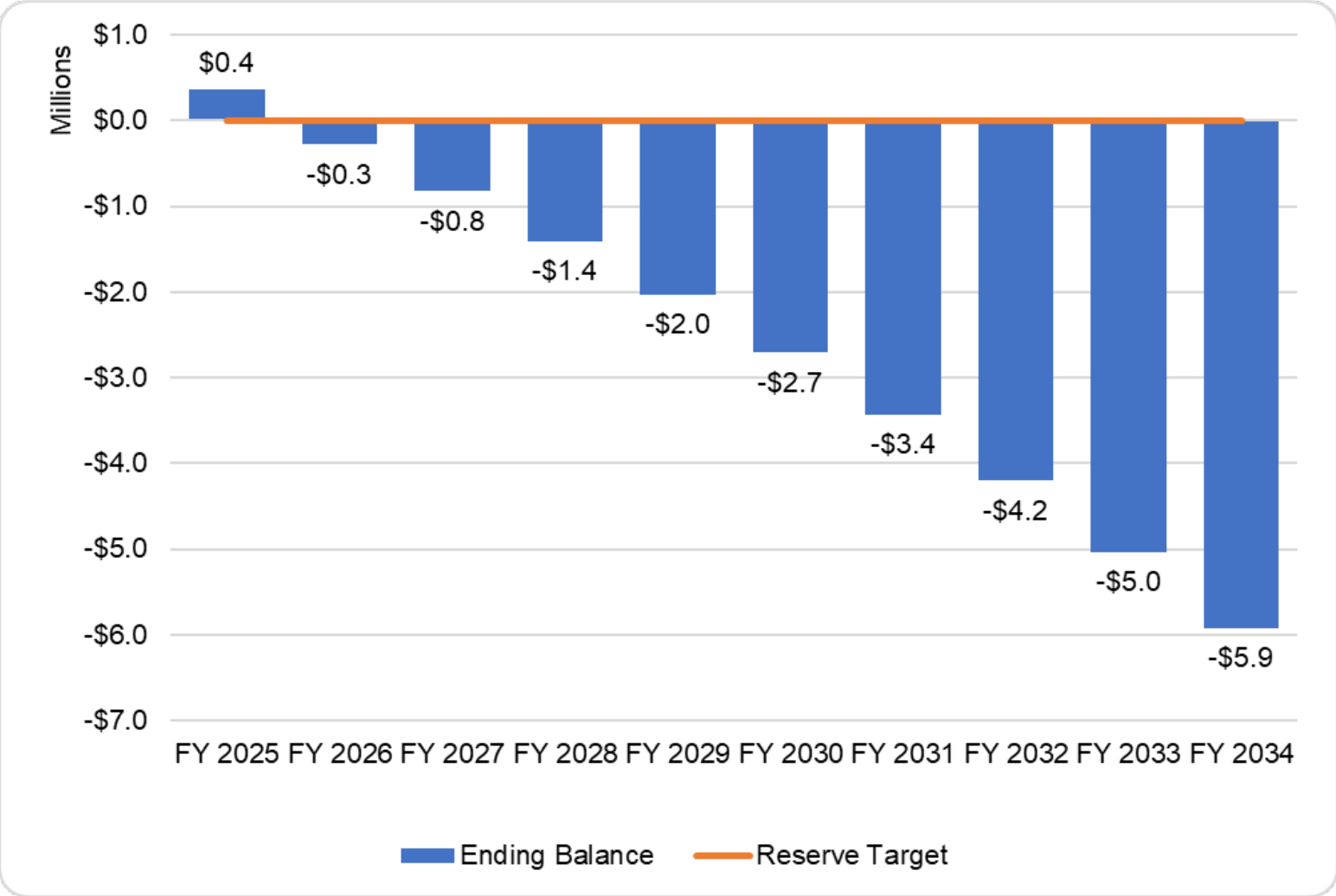
Agenda

- **Present 10-year Financial Plan**
- **Present 6 Rate Scenarios**
 - Scenario Zero – Status Quo
 - Scenario A1 – Only Rate Adjustment– Multi-year Adjustment
 - Scenario A2 – Only Rate Adjustment– Single-year Adjustment
 - Scenario B1 – Rate Adjustment and Special Tax – Multi-year Adjustment
 - Scenario B2 – Special Tax – Single-year Adjustment
 - Scenario C – Only Special Tax
- **Receive Comments and Direction from Board**

Status Quo Operating Position



Status Quo Fund Balance



Financial Goals

- Fully fund operations and maintenance expense
- Fully fund needed capital
- Build a cash reserve*
 - Operating Reserve?
 - Emergency Reserve?
 - Capital Reserve?

*Note that the proposed scenarios build a target reserve of \$1.2 million over 10 years in lieu of capital spending or a reserve policy



Revenue Adjustments and Assessment*

Scenario	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Scenario Zero	0%	0%	0%	0%	0%	0%	0%	0%	0%
Assessment	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
Scenario A1	60%	20%	10%	6%	5%	4%	4%	4%	4%
Assessment	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
Scenario A2	95%	4%	4%	4%	4%	4%	4%	4%	4%
Assessment	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
Scenario B1	22%	18%	14%	13%	13%	4%	4%	4%	4%
Assessment	\$800/\$400	\$800/\$400	\$800/\$400	\$800/\$400	\$800/\$400	\$800/\$400	\$800/\$400	\$800/\$400	\$800/\$400
Scenario B2	66%	4%	4%	4%	4%	4%	4%	4%	4%
Assessment	\$800/400	\$800/400	\$800/400	\$800/400	\$800/400	\$800/400	\$800/400	\$800/400	\$800/400
Scenario C	0%	0%	0%	0%	0%	0%	0%	0%	0%
Assessment	\$2,150	\$2,150	\$2,150	\$2,150	\$2,150	\$2,150	\$2,150	\$2,150	\$2,150

*Assessments do not account for additional USDA debt service Assessment of approx. \$1,100 per parcel.

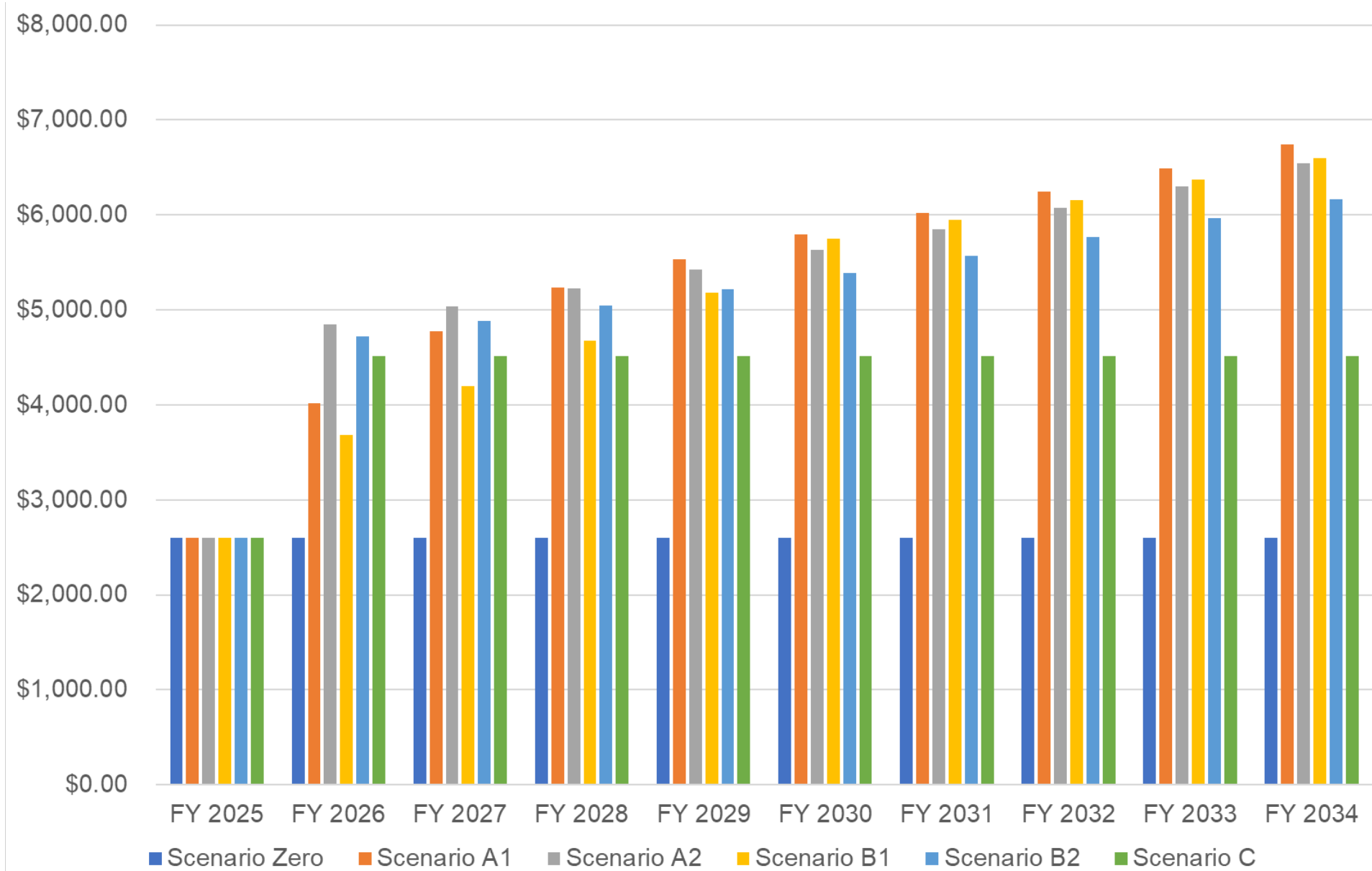


Resulting Combined Annual Rates*

Scenario	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Scenario Zero	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Annual Bill	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30	\$2,603.30
Scenario A1	0%	60%	20%	10%	6%	5%	4%	4%	4%	4%
Annual Bill	\$2,603.30	\$4,021.28	\$4,777.54	\$5,231.29	\$5,530.77	\$5,795.31	\$6,017.52	\$6,248.62	\$6,488.96	\$6,738.92
Scenario A2	0%	95%	4%	4%	4%	4%	4%	4%	4%	4%
Annual Bill	\$2,603.30	\$4,848.43	\$5,032.77	\$5,224.48	\$5,423.86	\$5,631.22	\$5,846.87	\$6,071.14	\$6,304.39	\$6,546.96
Scenario B1	0%	22%	18%	14%	13%	13%	4%	4%	4%	4%
Annual Bill	\$2,603.30	\$3,683.23	\$4,202.21	\$4,678.52	\$5,182.72	\$5,752.48	\$5,950.58	\$6,156.60	\$6,370.86	\$6,593.70
Scenario B2	0%	66%	4%	4%	4%	4%	4%	4%	4%	4%
Annual Bill	\$2,603.30	\$4,723.08	\$4,880.00	\$5,043.20	\$5,212.93	\$5,389.45	\$5,573.02	\$5,763.95	\$5,962.50	\$6,169.00
Scenario C	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Annual Bill	\$2,603.30	\$4,513.30	\$4,513.30	\$4,513.30	\$4,513.30	\$4,513.30	\$4,513.30	\$4,513.30	\$4,513.30	\$4,513.30

*Annual Bill includes both rates and assessment payments through the year at average use. The amounts do not account for additional USDA debt service assessment of approx. \$1,100 per parcel.

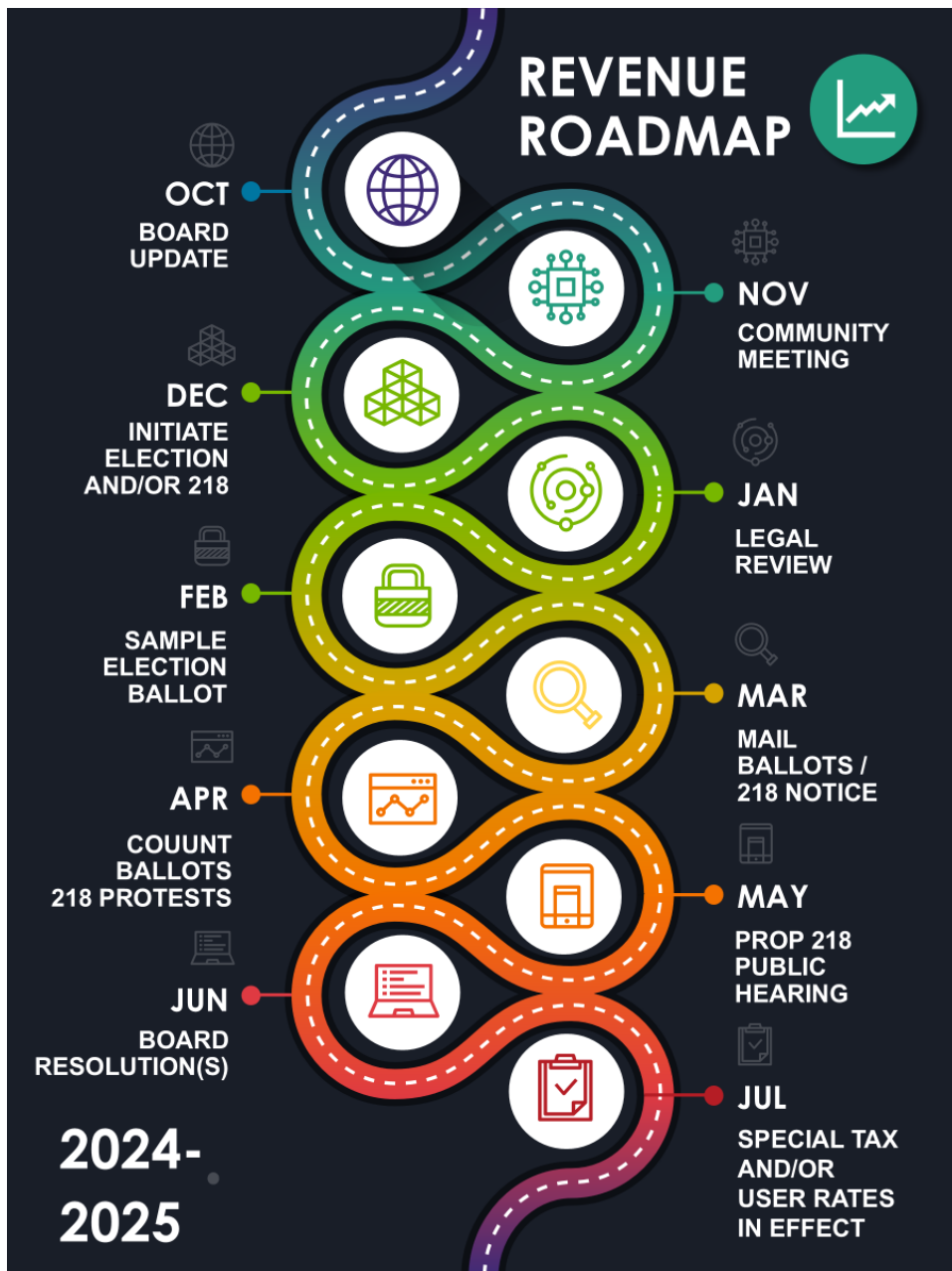




Resulting Combined Annual Rates

Annual Bill includes both rates and assessment payments through the year at average use*

*The amounts do not account for additional USDA debt service assessment of approx. \$1,100 per parcel.



■ Proposition 218 User Rate Increase

- Notice of Public Hearing (> 45 days to Schedule Date)
- Receipt Period of Protest Letters
- Protest Count
- Simple 50% Majority + 1 Customer – Measure Fails
- If Passes, Board Resolution Adopting New Rates (30 Days)

■ Parcel Special Tax Implementation

- Ballot Election
- Arguments For / Against
- Vote Count
- Passes if 2/3 or more of Received Ballots are Yes

Board Discussion & Guidance

