

Napa Berryessa Resort Improvement District

Presentation Topics

- Household Income Survey Report
- Fiscal History
- Financial Summary
- Budget Gap Closure Options
- Berryessa Utility Benchmarking
- Capital Improvement Project Priorities
- Upcoming Staff Actions



NBRID MHI Survey Report



Napa Berryessa Resort Improvement District
Median Household Income Survey



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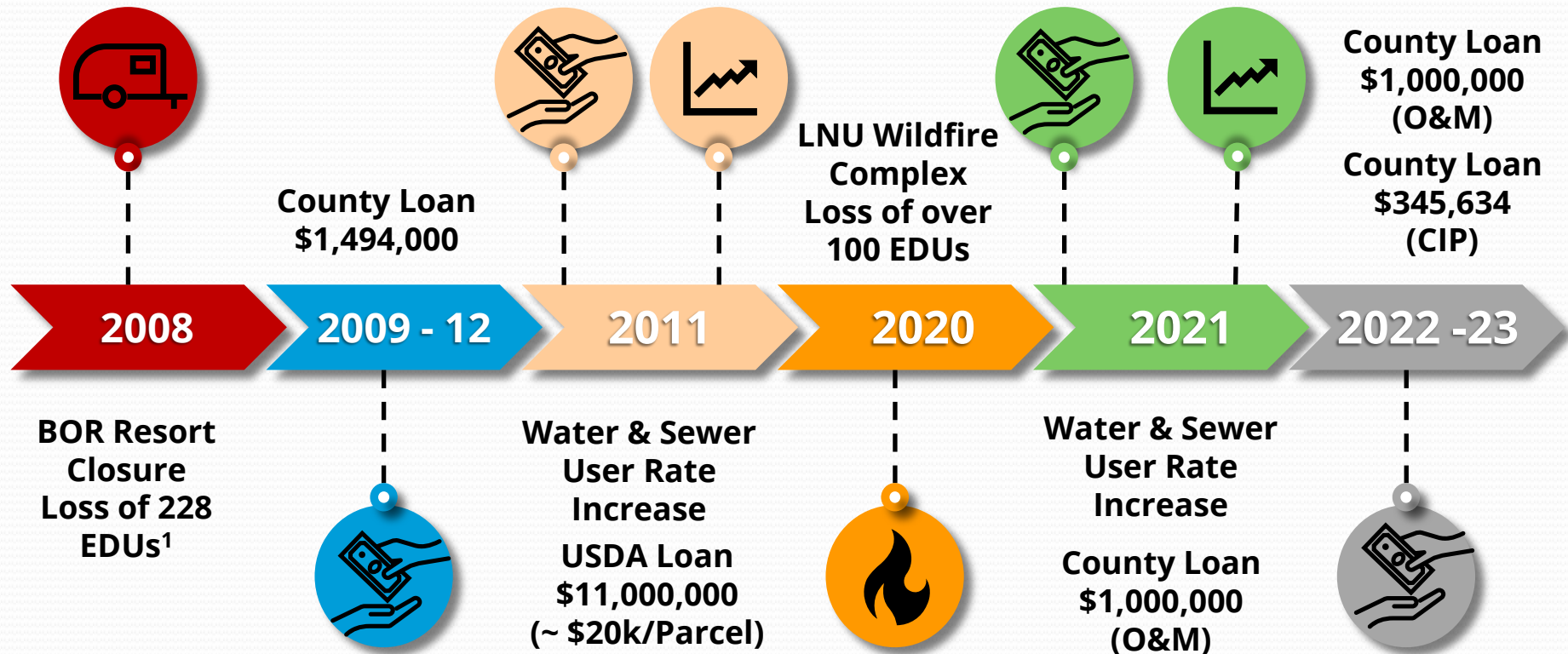
Rural Community Assistance
Corporation

January 2024

Study Results / Next Steps

- 156 Survey Responses (> 145 Min Req)
- NBRID Median Household Income \$62,000
- Statewide Median Household Income \$91,905
- Water Boards Certification April 2024
- Disadvantaged Community (DAC)
- Up to \$8M Drinking Water / \$8M Clean Water Project Funding Assistance
- SRF Program Financial Requirements
- Balance Operating Budget / Increase Revenue
- County Loan Discharge

Water / Sewer Utility Fiscal History



¹EDU – Equivalent Dwelling Unit or Single Family Residence

Loss of 328 EDU Customers over 15 years or ~ \$750k in Annual User Rate Revenue

Total County Loan Balance - \$3,839,634

NBRID Financial Summary

- 552 Lots Subject to Availability Charge
- 242 Active Water & Sewer Service Connections
- FY 24/25 Ops Budget Revenue Forecast - \$732,000
- FY 24/25 Ops Budget Planned Expenses - \$1,297,000
- FY 24/25 Ops Budget Shortfall - \$565,000
- Average Bimonthly Water / Sewer Bill - \$420
 - *Based on an average metered use of 4,000 gallons*
- Annual USDA Loan Assessment ~ \$1,100 / Parcel
- Annual Water & Sewer Availability Charge - \$240 / Parcel

Budget Gap Closure Options*

- ~~A. Rate Increase – Minimum 100% Adjustment (Users)~~
- B. Rate Increase + Special Tax (Users + Parcels)
 - 1. Minimum 40% - 60% Rate Adjustment
 - 2. Replace \$240 annual Water & Sewer Availability Charge with Special Tax:
 - a) \$500 - \$700 / Developed Parcel
 - b) \$400 - \$600 / Undeveloped Parcel
- C. Special Tax Implementation (Parcels)
 - 1. No User Rate Adjustment
 - 2. Replace \$240 annual Water & Sewer Availability Charge with Special Tax:
 - a) \$1,000 – \$1,400 / Developed Parcel
 - b) \$1,000 – \$1,400 / Undeveloped Parcel

** An updated Cost of Service Study to confirm the user rates/special tax requirements needed to balance the budget over the next five-year period is currently awaiting a quotation from the vendor and an approved agreement to begin .*

Budget Gap Closure Pros & Cons

Option B - Rate Increase + Special Tax (Users + Parcels)

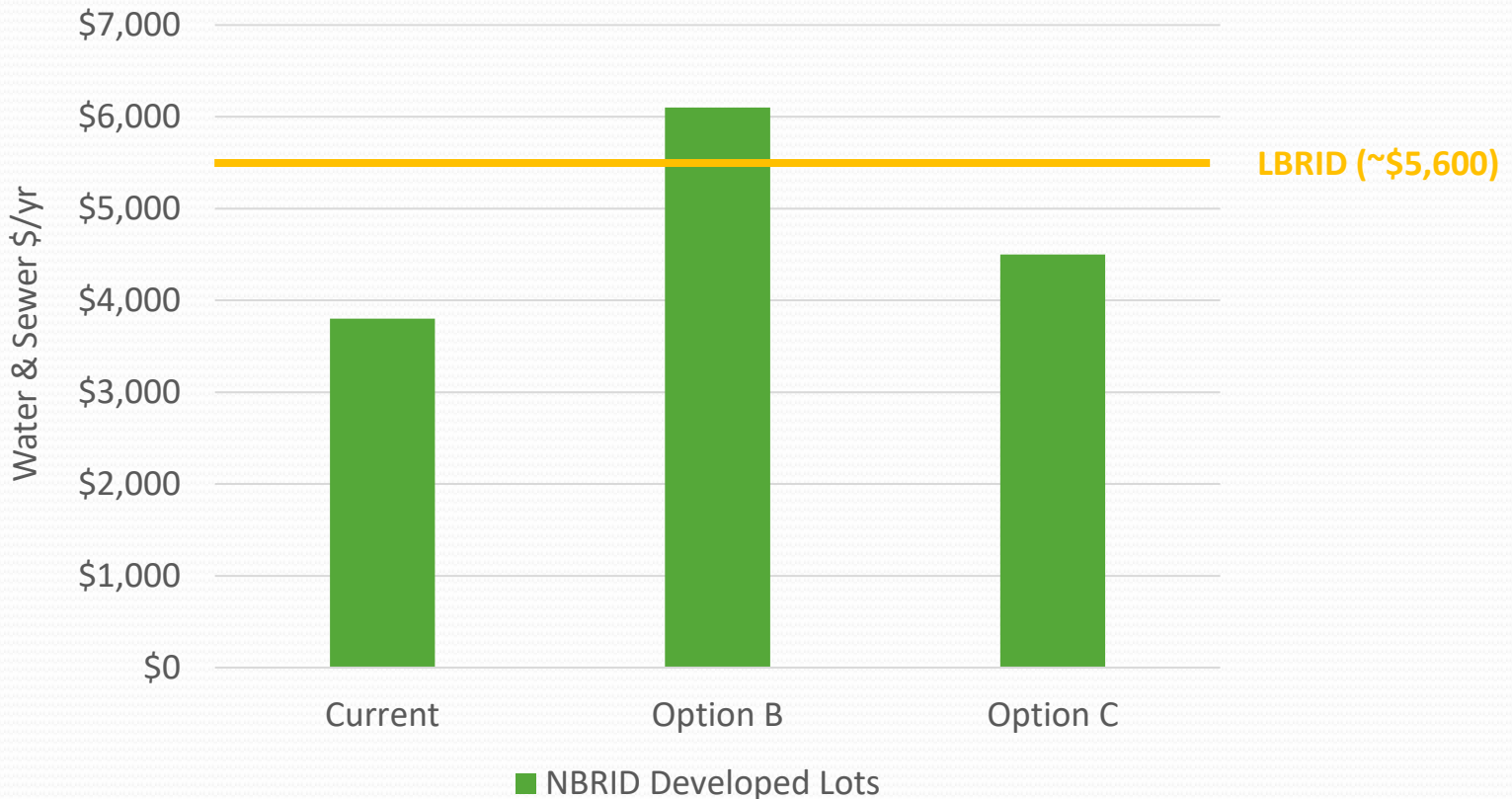
- a. Prop 218 Public Hearing & Protest Period
- b. Less than 50% of Customers Protest to Pass (<120)
- c. Special Tax Ballots to 552 Parcel Owners
- d. 2/3 Majority to Pass (368 Yes Votes)
- e. Greater Administrative Costs (Staff, Mailings, Registrar)

Option C - Special Tax Implementation (Parcels)

- a. Special Tax Ballots to 552 Parcel Owners
- b. 2/3 Majority to Pass (368 Yes Votes)
- c. Lower Administrative Costs (Staff, Mailings, Registrar)

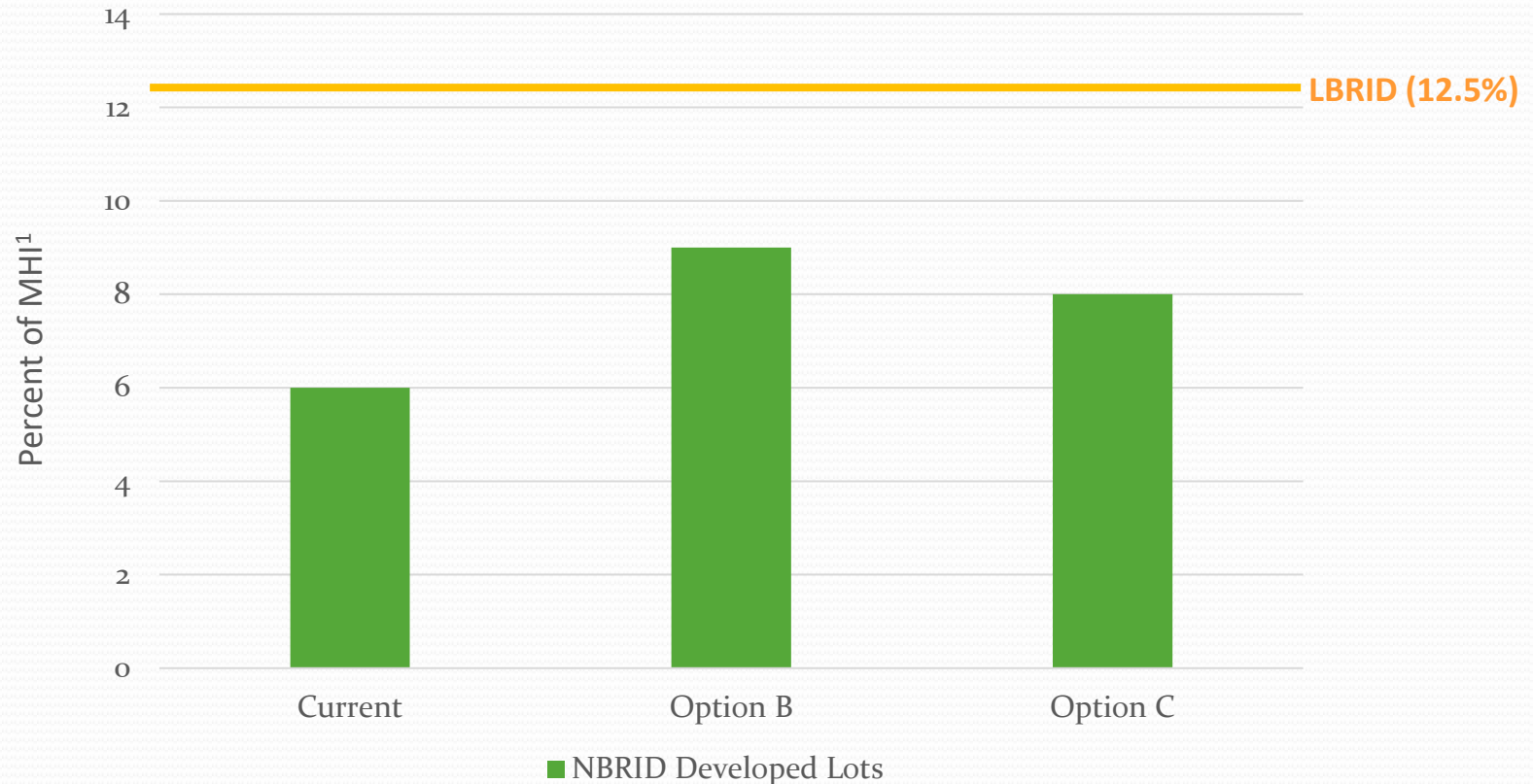
Initial estimates shows that both options create sufficient revenue to offset expenses. Option B is based on customer water use, home rebuilds and new construction on undeveloped parcels. All of which could be lower by 10 to 15% from projections yet should still leave the District with adequate revenue.

Berryessa Utility Benchmarking



Totals include Bimonthly User Charges, Assessment & Special Tax or Availability Charge

Water & Sewer Annual Costs



Totals include Bimonthly User Charges, Assessment & Special Tax or Availability Charge

¹Median Household Income

CIP Project Priorities



Upcoming Staff Actions

- Update the RDN Financial Analysis on Rates / Special Tax
- Host Berryessa Highlands Community Meeting
When / Where: Wed May 22, 2023, 5:30 pm @ Capell Valley FS
2023 Resident Feedback / Concerns
 - Marketability of Undeveloped and Rebuild Lots
 - Existing Homeowner Valuations
 - Steele Canyon Resort Redevelopment Timeline