

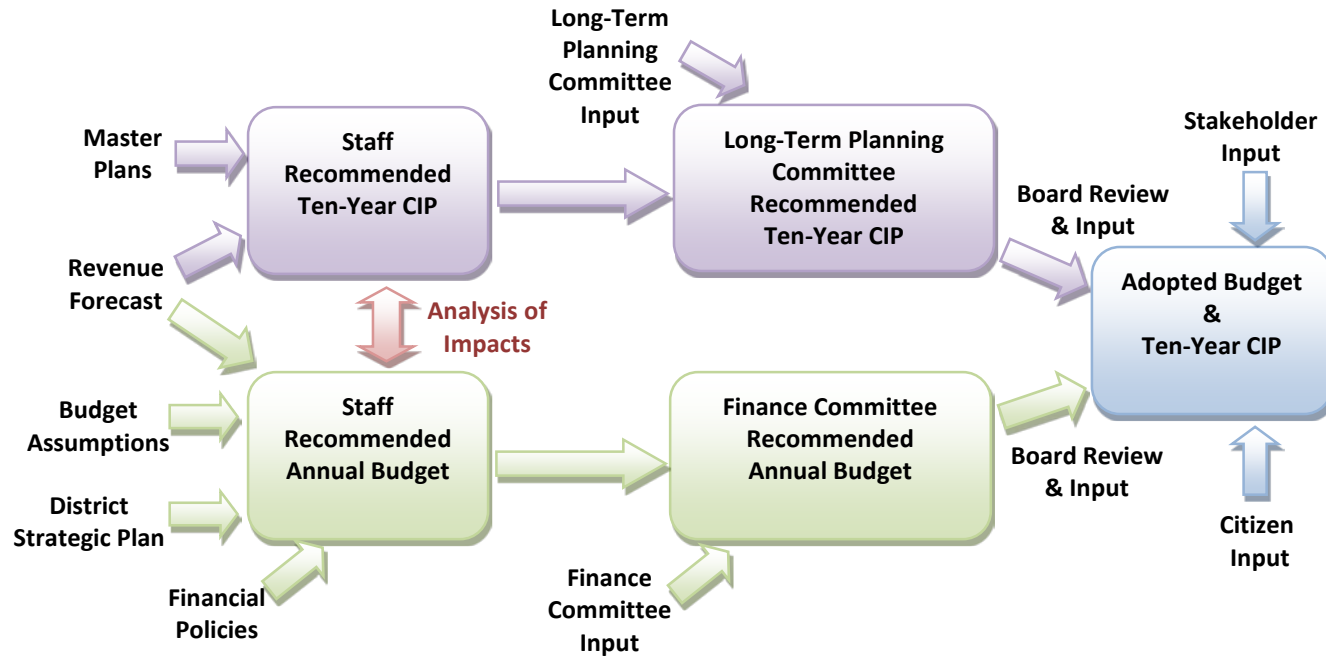


FY 2020/21

Operating and Capital Budget

Napa Sanitation District
Board of Directors Meeting
June 3, 2020

Budget Development Process

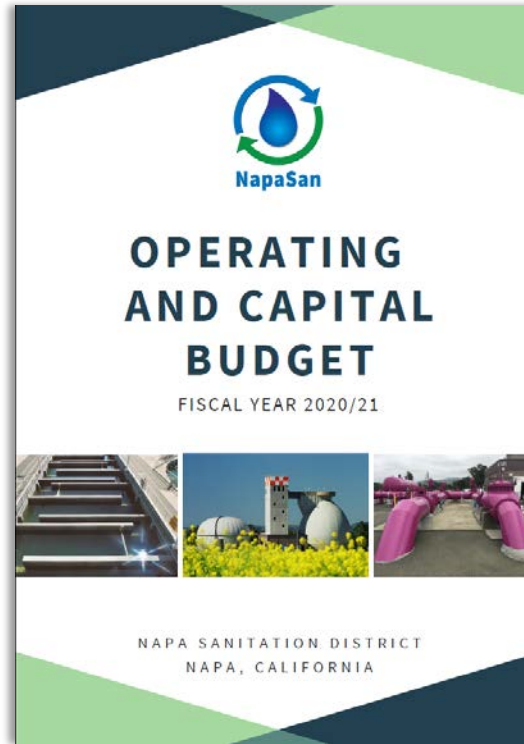


Budget Development Process

- Jan – Finance Committee – Set Budget Assumptions
- April – Finance Committee – Review Ops Budget
- April – Long Term Planning Committee – CIP
- May – Operating Budget Presentation
- May – Ten-Year CIP Presentation
- **June – Adopt FY 2020/21 Operating and Capital Budget and Ten-Year CIP**



Budget Document





Budget Assumption Changes - Revenues

Year 1			
	May 20 th	Proposed June 3 rd	Change
SSC	29,916,000	31,112,000	1,196,000
SSC – Reduced Water Usage	-	-	-
Capacity Charges	1,992,000	1,992,000	-
Total	31,908,000	33,104,000	1,196,000

Year 2			
	May 20 th	Proposed June 3 rd	Change
SSC	32,162,000	32,198,000	36,000
SSC – Reduced Water Usage	(3,211,000)	(3,211,000)	-
Capacity Charges	3,583,000	3,583,000	-
Total	32,534,000	32,570,000	36,000

Total Changes Year 1 and 2 – \$1,232,000



Budget Assumption Changes- Savings Vacant Positions

Year 1				Year 2			
	May 20 th	Proposed June 3 rd	Change		May 20 th	Proposed June 3 rd	Change
DAS/CFO	233,850	-	233,850	DAS/CFO	-	-	-
Coll Sys Spvsr	162,400	-	162,400	Coll Sys Spvsr	-	-	-
Coll Sys Wkr	101,500	101,500	-	Coll Sys Wkr	101,500	101,500	-
Plant Attendant	117,100	117,100	-	Plant Attendant	117,100	117,100	-
Total	614,850	218,600	396,250	Total	218,600	218,600	-

Total Changes in Year 1 and 2 – \$396,250



Summary of Revenue Reduction and Savings

Reduction in Revenues

	May 20 th	Year 1	Year 2	Total	Change
SSC	1,269,000	-	37,000	37,000	1,232,000
SSC – Reduced Water Usage	3,211,000	-	3,211,000	3,211,000	-
Capacity Charges	2,393,000	468,000	1,925,000	2,393,000	-
Total	6,873,000	468,000	5,173,000	5,641,000	1,232,000

Savings from Operating Expenses

	May 20 th	Year 1	Year 2	Total	Change
Hold Hiring Vacant Positions	833,450	218,600	218,600	437,200	396,250
Additional PERS Contribution	1,170,850	649,850	521,000	1,170,850	-
Reduce Svcs/Supplies Budget	369,800	369,800	-	369,800	-
Total	2,374,100	1,238,250	739,600	1,977,850	396,250

Remaining savings from Capital 4,498,900

(770,250) 4,433,400 3,663,150 835,750

CIP Budget Adjustments

- Changes from last meeting:
 - 2021 Collection System Project: Increase from 1.5% to 1.9% of the system.
 - Remove NBWRA costs from Year 1
 - Add funding to key projects in Years 3-10. Examples:
 - North Napa Trunk Phase 1
 - 2023 WWTP Project
 - WWTP Site Paving

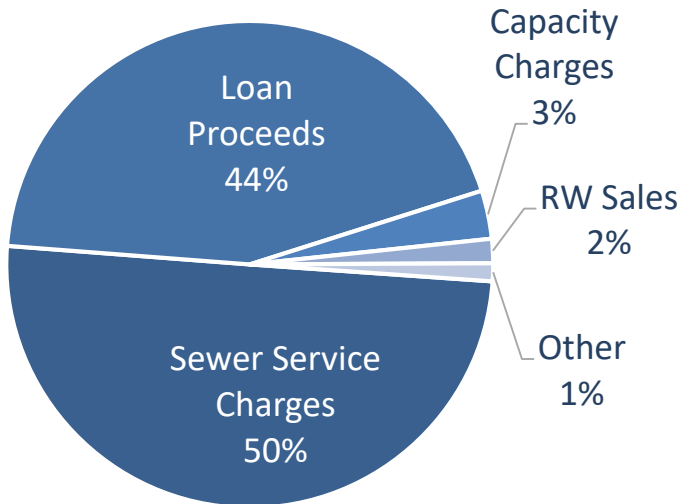
Description	Year 1	Year 2	Years 3-10	Total
Change between 4/9/20 LTPC Meeting and 5/20/20 Board Meeting	(\$903,700)	(\$3,737,800)	(\$2,518,950)	(\$7,160,450)
Change between 5/20/20 Board Meeting and today	\$810,000	\$250,000	\$1,850,000	\$2,910,000
Change between 4/9/20 LTPC Meeting and today	(\$93,700)	(\$3,487,800)	(\$668,950)	(\$4,250,450)

Financial Summary

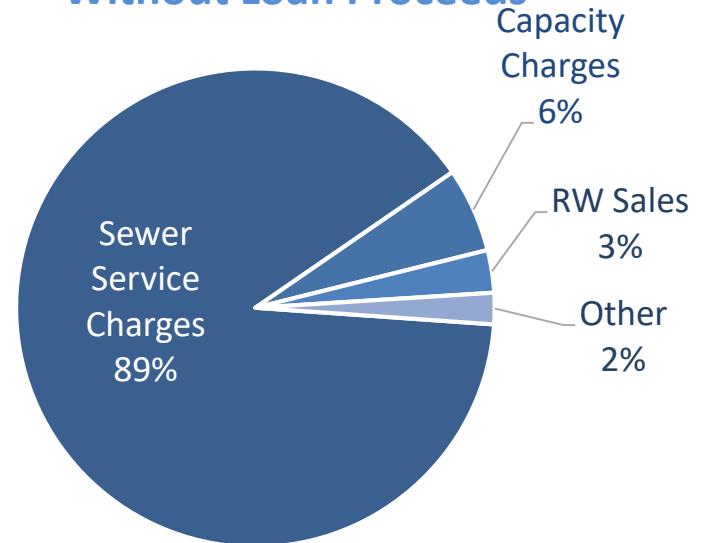
Financial Summary

- Revenue

With Loan Proceeds

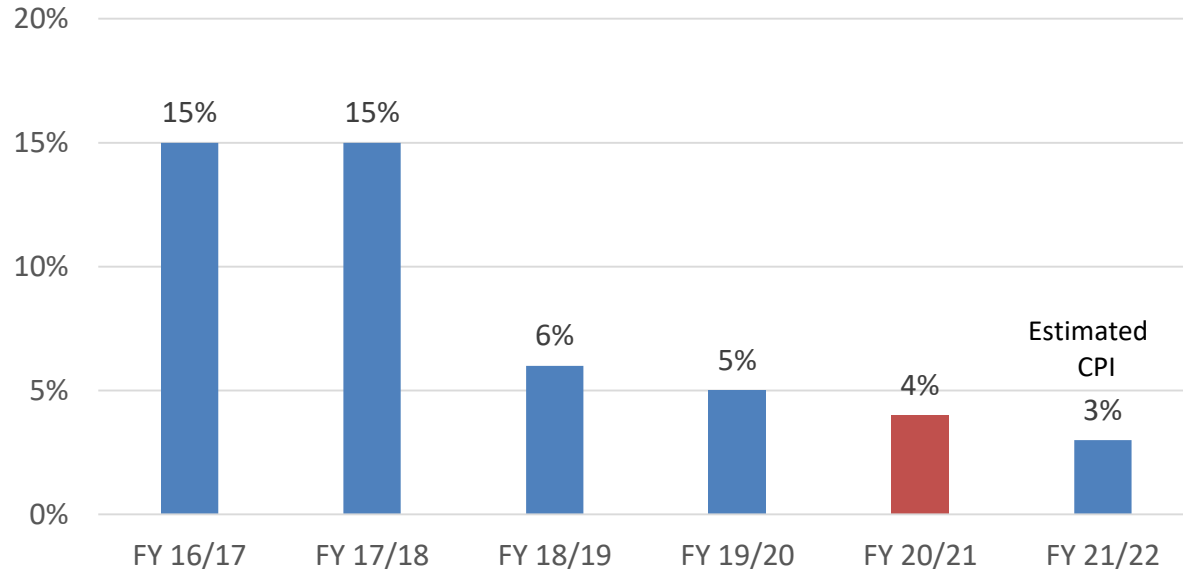


Without Loan Proceeds



Financial Summary

- Sewer Service Charge Fee Increases





Financial Summary

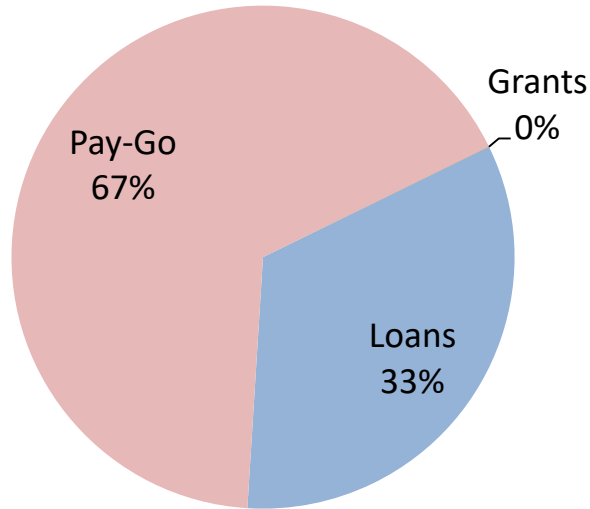
- Created Savings in Operating Budget
4.6% Decrease in Operating Expenses
 - Salary & Benefits decrease 6.5%
 - Services & Supplies decrease 1.5%

Annual Increases in Operating Budget				
<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>	<u>FY 19/20</u>	<u>FY 20/21</u>
1.2%	0.1%	1.5%	1.3%	-4.6%

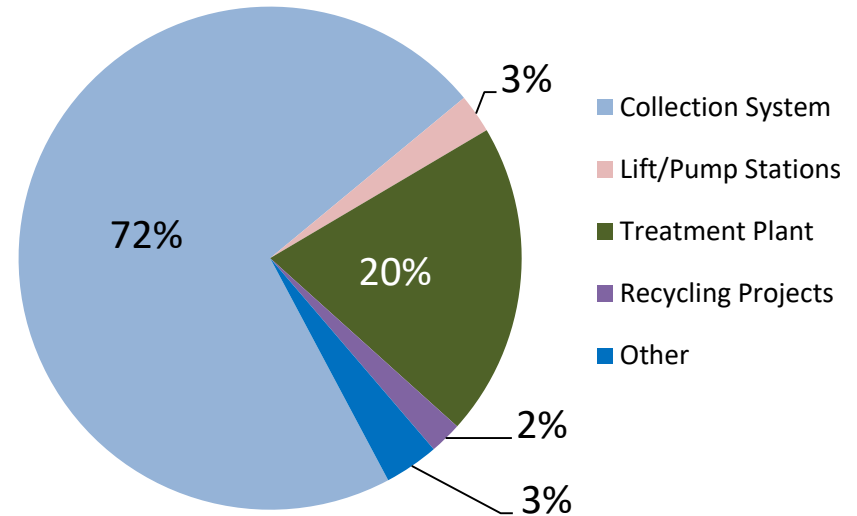
Financial Summary

Capital Improvement Plan

10-Year CIP

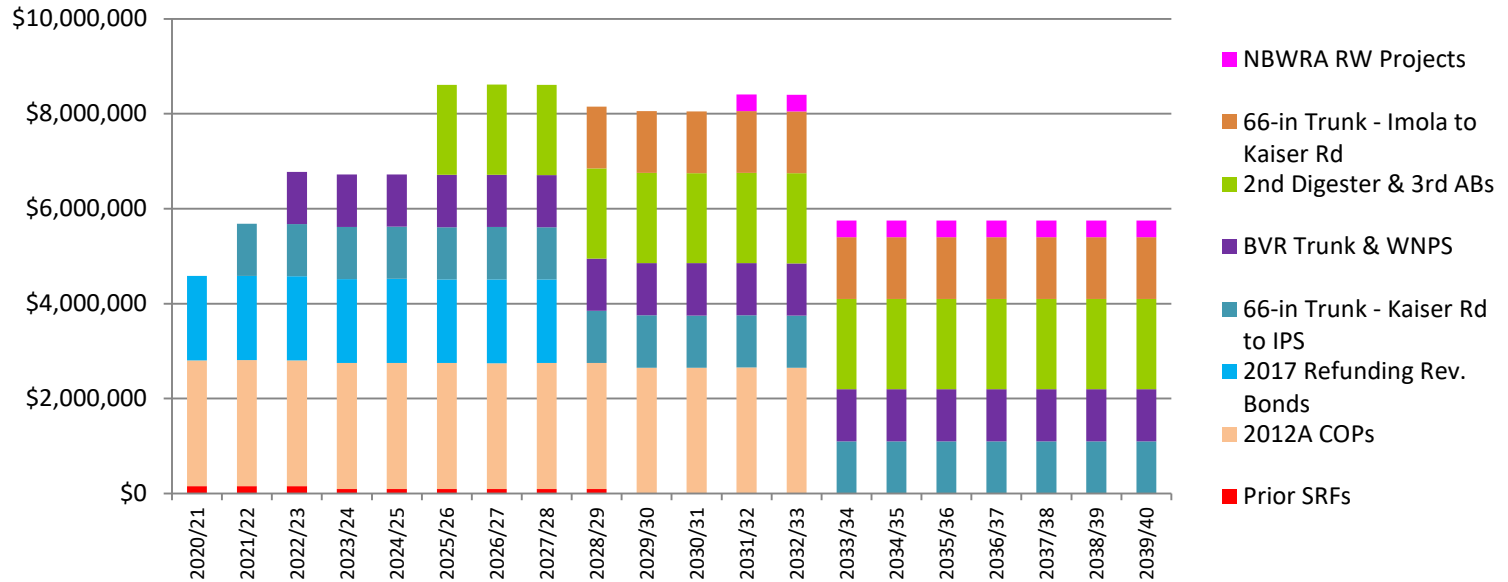


10-Year CIP



Financial Summary

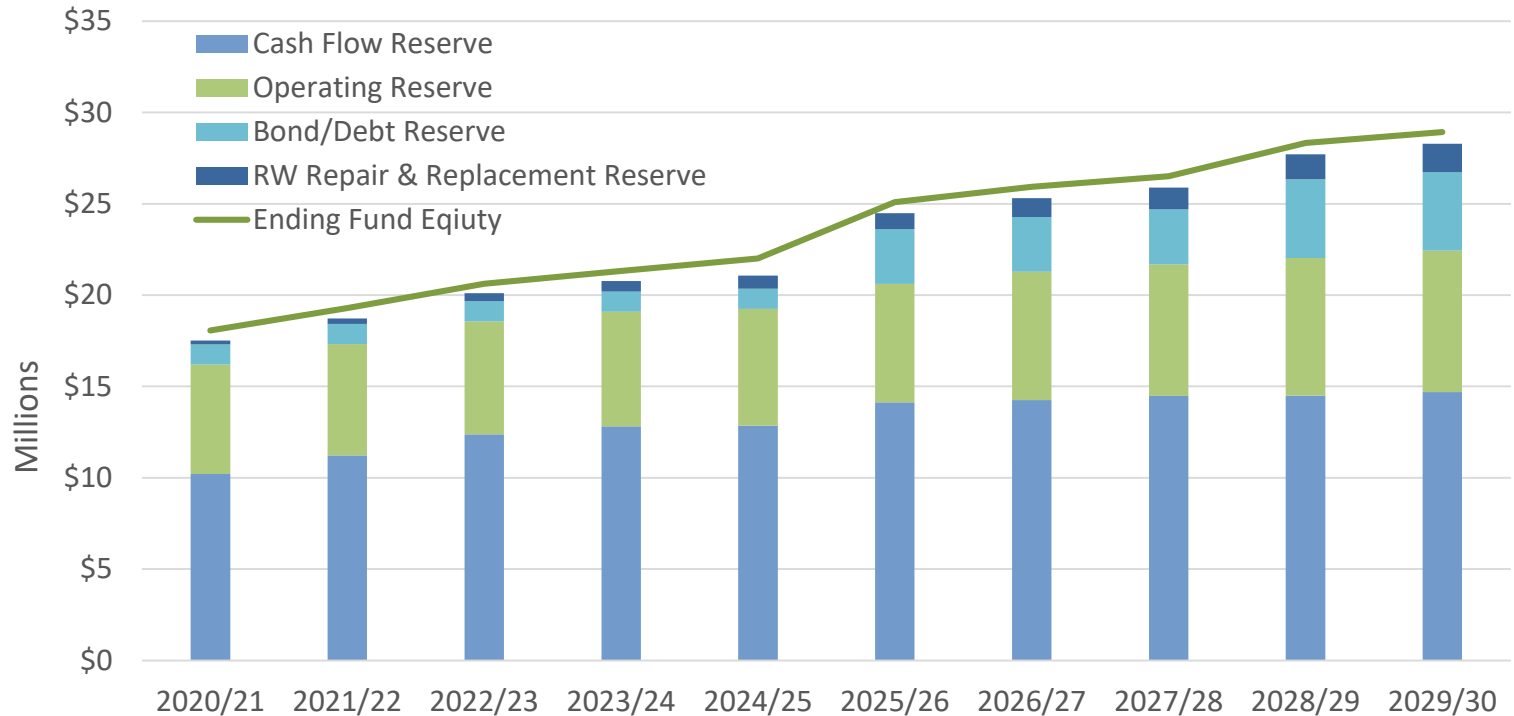
Projected Debt Service Summary





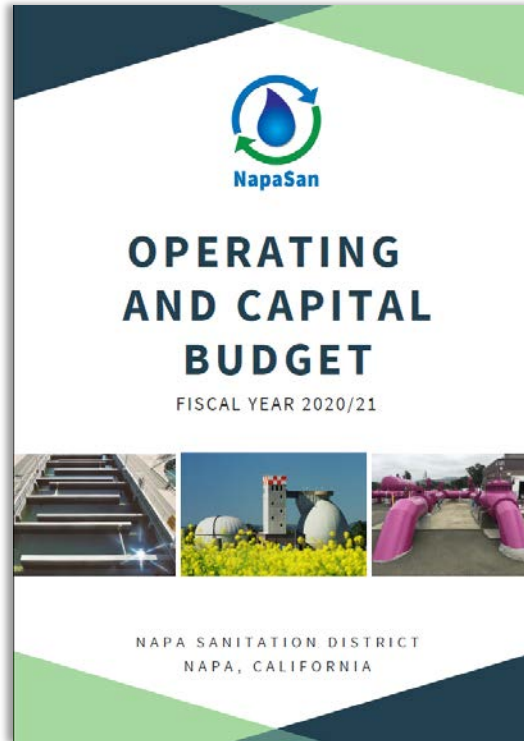
Financial Summary

Ending Fund Equity Projections





Questions & Comments





Recommended Action

Adopted Resolution approving the
FY 2020/21 Operating and Capital Budget
and setting fees, as presented.



Recommended Action

Adopted Resolution directing the preparation and filing of a written report to collect sewer service charges on the tax roll for FY 2020/21.