

Budget Overview

Section 2

BUDGET SUMMARIES

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Budget Parameters & Key Assumptions

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General Fund Revenue Summary

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Revenues and Expenditures Three Year History by Category
General Fund

General Fund	FY 14-15	FY 15-16	FY 16-17
Financial Sources:	Actual	Estimated	Budget
Property Taxes	1,139,161	1,156,200	1,174,200
Sales Taxes	1,337,240	1,120,000	1,131,000
Other Taxes	167,087	157,000	150,400
Transient Occupancy Tax	6,582,040	6,500,000	6,400,000
Investment Earnings	16,156	7,500	7,500
Licenses & Permits	86,419	57,581	57,000
Fines & Forfeitures	9,223	3,300	3,400
Rents & Concessions	251,091	262,425	264,100
Intergovernmental	134,605	109,300	102,500
Parks & Recreation Fees	347,695	326,500	347,700
Charges for Services	158,887	89,600	83,600
Impact Fees	26,966	500	-
Miscellaneous	229,424	122,000	90,000
Transfers & Other Sources	299,945	347,263	10,667
TOTAL	10,785,941	10,259,169	9,822,067
Financial Uses:			
General Government	2,568,353	2,717,277	2,811,765
Housing Programs	44,624	40,620	45,900
Planning and Building	568,517	784,986	1,223,010
Public Safety	1,327,171	1,377,000	1,413,500
Public Works	1,578,067	1,642,775	1,778,453
Parks & Recreation	1,346,300	1,504,511	1,558,891
Transfers	1,855,860	3,001,555	1,899,012
TOTAL	9,288,891	11,068,724	10,730,531
Beginning Fund Balance	5,515,205	7,012,255	6,202,700
Ending Fund Balance	7,012,255	6,202,700	5,294,236

Revenues and Expenditures Three Year History by Category
Capital Projects Fund

Capital Projects Funds	FY 14-15	FY 15-16	FY 16-17
Financial Sources:	Actual	Estimated	Budget
Investment Earnings	6,884	6,868	-
Other State Revenue	5,870	5,472	
County Measure A	347,709	2,463,743	500,000
Other Grants	63,529		591,830
Impact Fees	9,282	12,049	-
Miscellaneous	-	150,929	-
Transfers & Other Sources	850,000	2,000,000	753,700
Total	1,283,274	4,639,061	1,845,530
 Financial Uses:			
Capital Improvements	1,938,439	6,696,933	1,965,265
Flood Wall Cap. Maint (Fund 76)	1,288		
Total	1,939,727	6,696,933	1,965,265
 Beginning Fund Balance	 3,459,530	 2,803,077	 745,205
 Ending Fund Balance	 2,803,077	 745,205	 625,470

Revenues and Expenditures Three Year History by Category
Water Funds

Combined Water Funds	FY 14-15	FY 15-16	FY 16-17
Financial Sources:	Actual	Estimated	Budget
Investment Earnings	7,289	3,927	2,000
Intergovernmental	356		-
Charges for Services	1,301,552	1,320,049	1,311,530
Impact Fees	6,686	-	-
Miscellaneous	1,685	8,390	5,000
Interfund Loan Principal		55,627	
Transfers in		193,308	200,000
Total Revenues	1,317,569	1,581,301	1,518,530
Financial Uses:			
Utility Enterprise	146,294	398,743	375,590
Transfers	-	200,000	200,000
Utility Enterprise	965,405	1,172,735	1,247,610
Total Expenditures	1,111,699	1,771,478	1,823,200
Beginning Fund Balance	4,917,294	4,916,665	4,726,488
Adjst. To Beg Fund Bal JV 211,225	(206,498)		
Ending Fund Balance	4,916,665	4,726,488	4,421,818

Revenues and Expenditures Three Year History by Category
Wastewater Funds

Combined Wastewater Funds	FY 14-15	FY 15-16	FY 16-17
Financial Sources:	Actual	Estimated	Budget
Investment Earnings	3,383	2,800	600
Investment Earnings	248	295	-
Charges for Services	1,574,199	1,559,543	1,573,900
Charges for Services	111,691	90,000	111,700
Capital Recovery Fees		100,000	
Impact Fees	51,253	11,279	-
Miscellaneous	637	-	-
Transfers & Other Sources	-	-	-
Transfers & Other Sources	102,804	-	100,000
Total Revenue	1,844,216	1,763,917	1,786,200
Financial Uses:			
Transfers	-	107,054	-
Capital Contribution	50,004	-	50,000
Utility Enterprise	1,353,505	1,763,278	1,799,651
Transfers	-	-	339,272
Utility Enterprise	330,471	131,620	143,688
Total Expenditures	1,733,980	2,001,952	2,332,611
Beginning Fund Balance	8,979,530	8,957,823	8,633,762
Adjst. To Fund Year End Bal.	(462,414)		
Ending Fund Balance	8,627,352	8,389,317	7,842,906

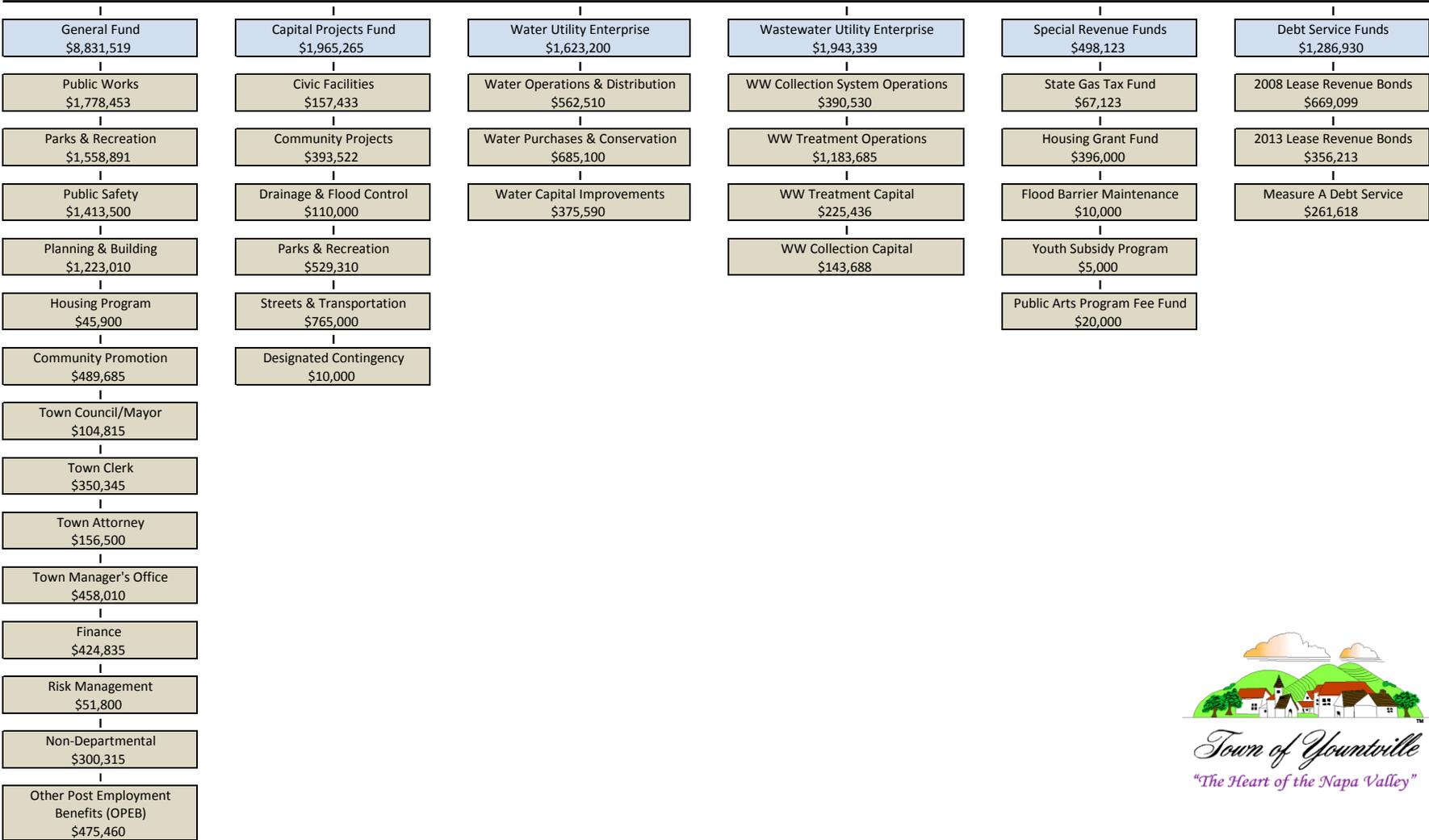
Revenues and Expenditures Three Year History by Category
Special Revenue Funds

Combined Special Revenue Funds	FY 2014-15	FY 2015-16	FY 2016-17
Financial Sources:	Actual	Estimated	Budget
Investment Earnings	448	430	-
Intergovernmental	112,850	902,408	463,123
Miscellaneous	7,493	5,000	25,000
Total	120,791	907,838	488,123
Financial Uses:			
Public Works	2,582	10,500	10,223
Home Grant Awards	-	830,000	396,000
Parks and Recreation	2,875	5,000	25,000
Capital Projects	67,774	118,380	66,900
Total	73,231	963,880	498,123
Beginning Fund Balance	280,715	328,275	272,089
Ending Fund Balance	328,275	272,233	262,233

Revenues and Expenditures Three Year History by Category
Debt Service Funds

Combined Debt Service Funds	FY 2014-15	FY 2015-16	FY 2016-17
Financial Sources:	Actual	Estimated	Budget
Investment Earnings	23	7,320	-
Intergovernmental Revenue	259,977	265,530	261,600
Transfers & Other Sources	1,005,860	1,008,875	1,114,584
Total	1,265,860	1,281,725	1,376,184
Financial Uses:			
Debt Service	1,286,464	1,290,575	1,286,930
Beginning Fund Balance	1,339,874	1,319,270	1,310,420
Ending Fund Balance	1,319,270	1,310,420	1,399,674

Town of Yountville
Total Annual Budget Summary
Fiscal Year 2016-17
\$16,148,376





Budget Development Process Overview

February-April

- Budget Planning & Discussions
- Departments draft proposed operating budgets and part-time salary needs
- Finance develops projections: salaries, benefits & cost allocations, revenues
- Budget Workshop #1, April 5 - Parameters & Assumptions and CIP Review
- Budget narratives and templates updated
- Town Manager reviews budget with directors

May

- Finance Department finalizes proposed budget
- May 16 Special Meeting 9:00 a.m. - 1:00 p.m. Budget Workshop #2
- May 23 Special Meeting 1:30 a.m. - 5:00 p.m. Budget Workshop #3

June 21 Budget Adoption at Council Meeting

On or before June 30

- 2016-17 Adopted Budget published & available on the Town's website.



Effect of Planning Processes on the Operating Budget

The Town utilizes several planning processes that affect the development of the operating budget. Effective planning processes assist Town in assessing the financial implications of current and proposed policies, programs, and assumptions. An effective plan illustrates the likely outcomes of particular courses of action.

Name of Plan	Type of Planning Process	Description of Planning Process	Budget Impact
General Government Long-Range Financial Forecast	Five-year plan to be developed to facilitate long-term financial planning	Forecast of revenues, expenditures, service levels and staffing needs	Allows for priority allocation of resources & expenditure control
Facilities Capital Maintenance	Five-year plan by facility and maintenance activity or project	The prioritization of departmental requests for projects and schedule & funding of maintenance requirements	Stability of General Fund & capital reserves
Parks Capital Maintenance	Five-year plan by facility, maintenance activity or project	Identifies, prioritizes and schedules improvements to parks, medians and grounds	Stability of General Fund & capital reserves
Street Maintenance	Five-year plan to maintain and improve roadways, sidewalks, curbs and gutters	Inspection, prioritization and scheduling of surface repair and preventive maintenance of streets	Stability of General Fund, State Gas Tax & potential grant appropriations
Vehicle / Equipment Replacement	Five-year plan of scheduled vehicle and heavy equipment replacement	Development of replacement intervals based on equipment age, usage, and lifetime repair costs	Timing and sizing of replacement costs & financing
Computer Replacement	Three-year plan of the replacement of computers and other technology items	Development of replacement intervals based on equipment age, usage and lifetime repair costs	Timing and sizing of replacement & technology upgrade costs



Capital Improvements Plan	Five-year plan of major infrastructure development and improvements	Town Council identification of projects; prioritizing; costing; timing; financing and project management	Predictable funding/reserve levels, long term financing planning
Land Use Assumptions	Ten-year plan of land use assumptions and infrastructure needs	Identification of residential & non-residential land use development opportunities	Water & sewer capacity plans, debt issues



Key Budget Parameters and Key Assumptions for Fiscal Year 2016-17

Highlights of the Proposed Budget:

3% CPI for salaries & 9% increase for medical benefits

14% OPEB rate to fully fund ARC

\$595,000 for General Plan Update – Planning

Worker's Compensation, Property and Liability Insurance allocated to departments and reduced in Risk Management.

Fund Reserves at levels approved by Town Council Policy:

Emergency Reserves – 20% of General Fund expenditures \$1,766,300

Revenue Stabilization – 23% of Projected TOT revenue \$1,500,000

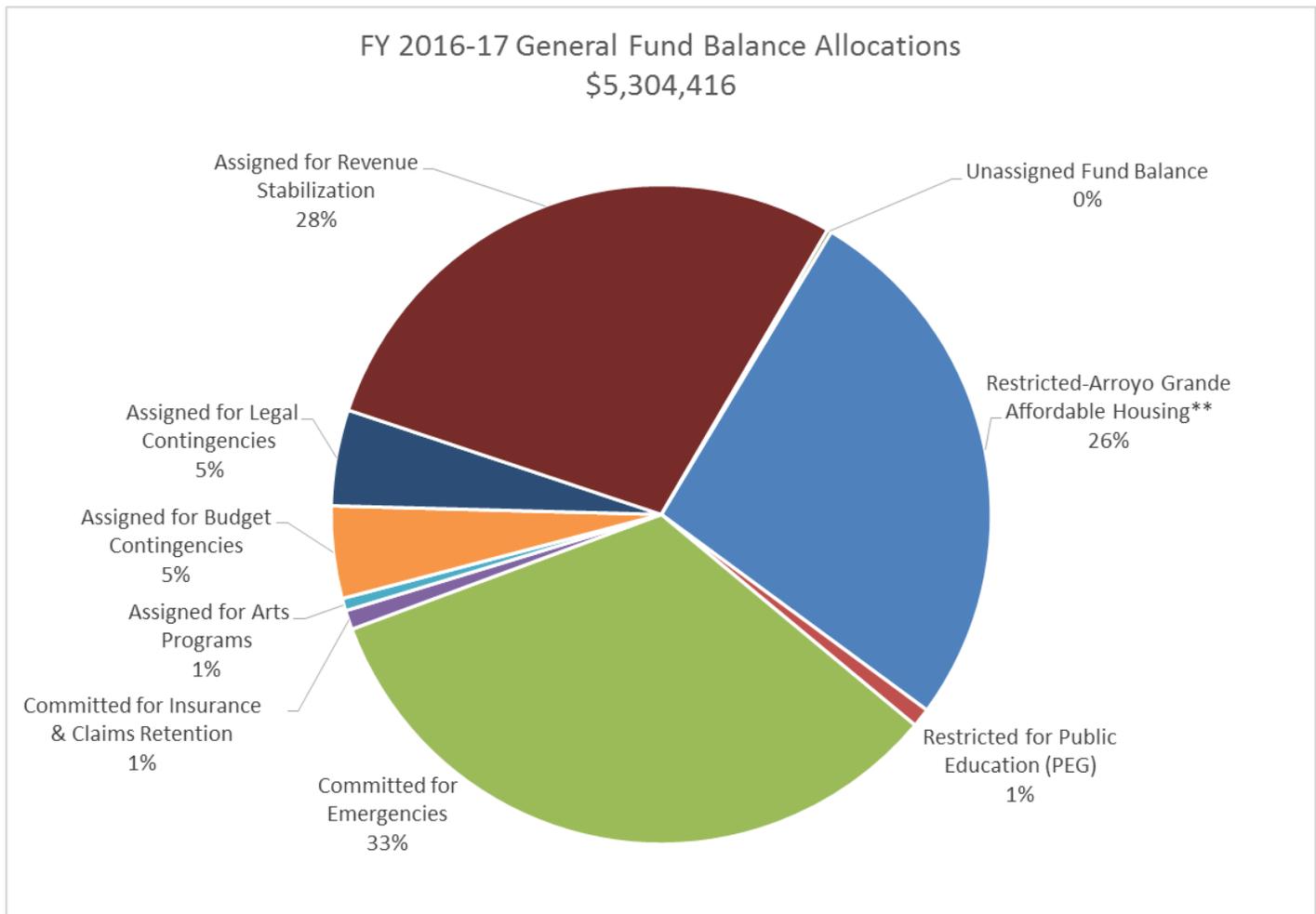
Insurance & Claims Retention – \$50,000 (\$30,000 required minimum)

Proposed Budget includes Additional Reserves for unanticipated expenditures:

Assigned for Budget Contingencies – \$240,000

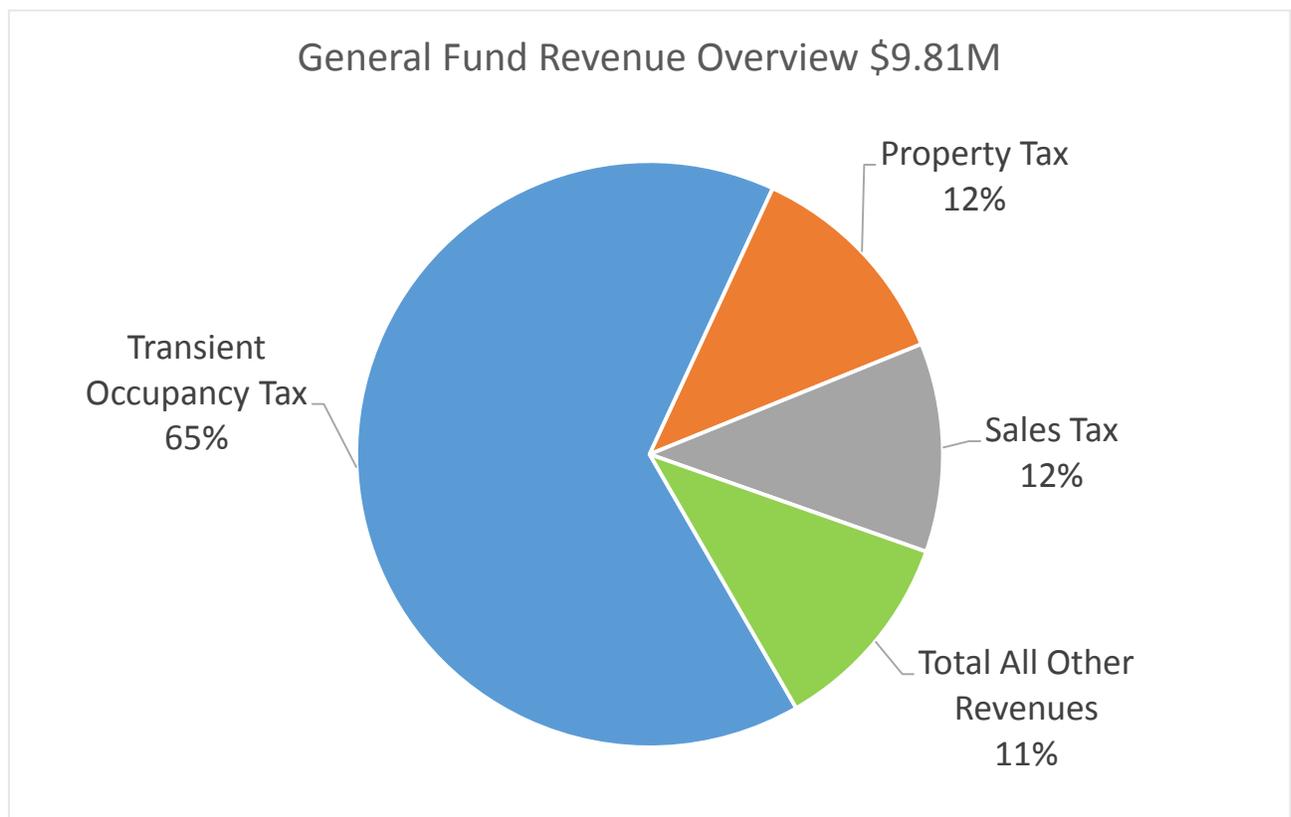
Assigned for Legal Contingencies – \$250,000

GENERAL FUND SUMMARY	2015-16 BUDGET	2015-16 ESTIMATED	2016-17 BUDGET
Beginning Fund Balance	\$4,170,154	\$7,012,255	\$6,212,880
Total Revenue	9,910,125	9,911,906	9,811,400
Total Expenditures	8,119,661	8,056,989	8,831,519
Revenue Less Expenditures before Transfers	1,790,464	1,854,917	979,881
Total Transfers	(2,654,458)	(2,654,292)	(1,888,345)
Excess (Deficiency) After Transfers	(863,994)	(799,375)	(908,464)
Ending Fund Balance	\$3,306,160	\$6,212,880	\$5,304,416

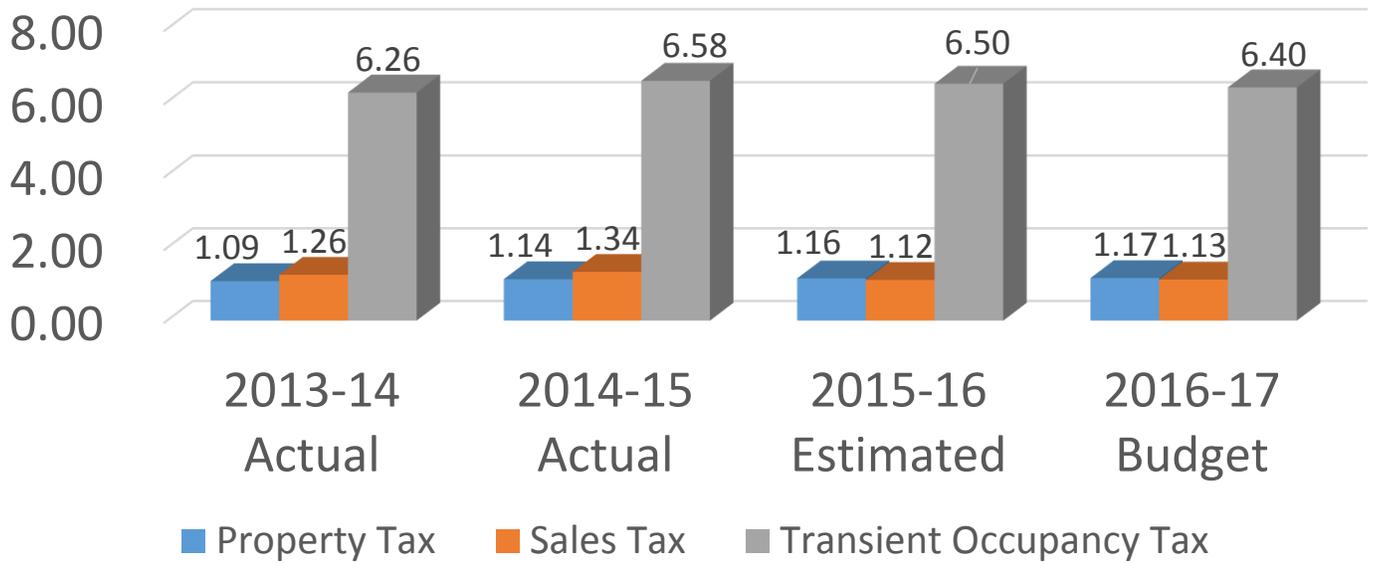


GENERAL FUND REVENUE SUMMARY

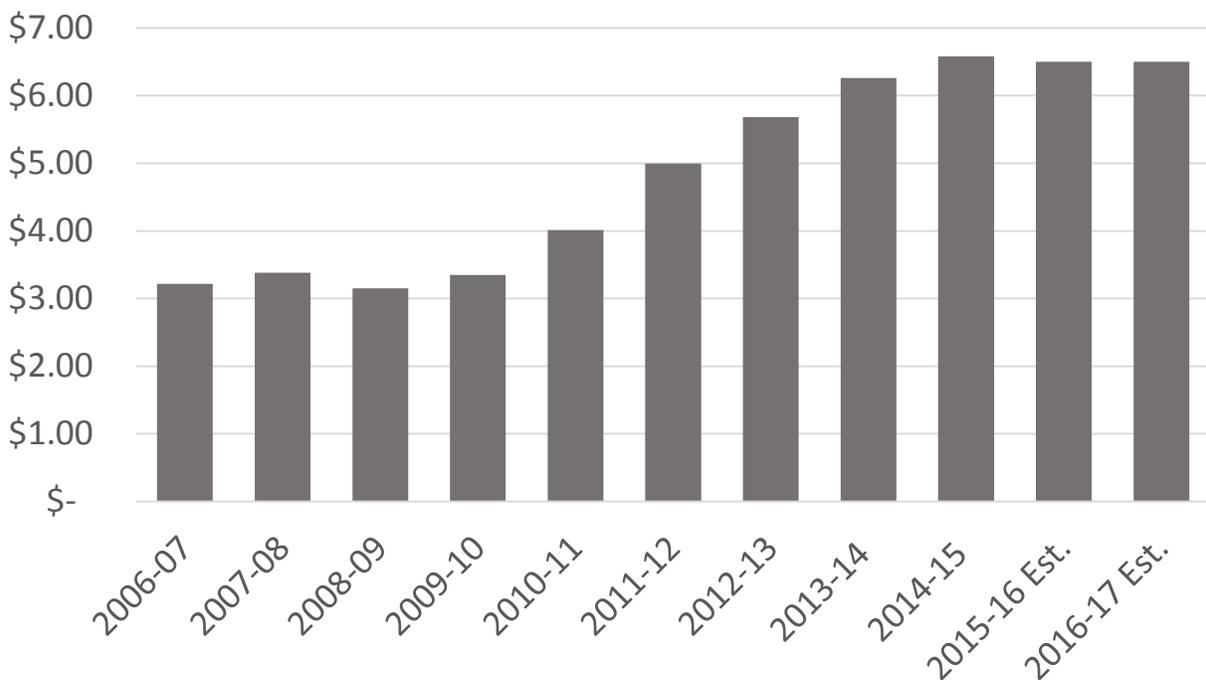
	2015-16 BUDGET	2015-16 ESTIMATED	2016-17 BUDGET
Transient Occupancy Tax	6,400,000	6,500,000	6,400,000
Property Tax	1,186,200	1,156,200	1,174,200
Sales Tax	1,270,000	1,120,000	1,131,000
Total Primary Revenues	\$8,856,200	\$8,776,200	\$8,705,200
Total All Other Revenues	1,053,925	1,135,706	1,106,200
Total General Fund Revenues	\$9,910,125	\$9,911,906	\$9,811,400

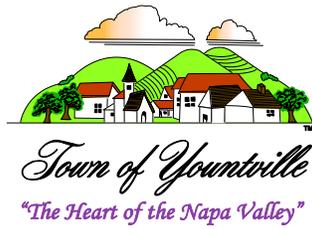


Primary Revenues Trend Millions



Transient Occupancy Tax (TOT) - Ten Year History Millions



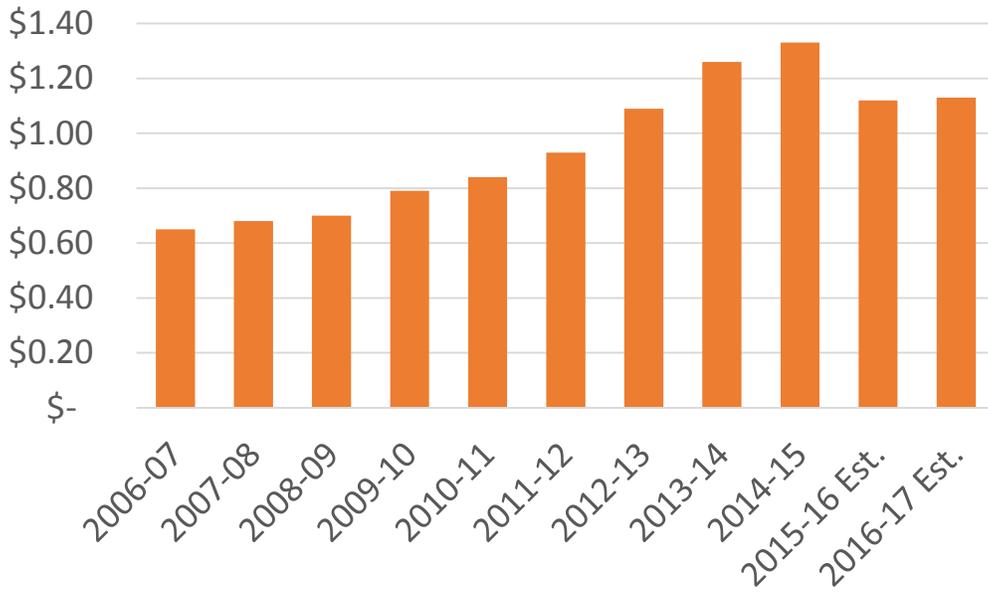


Top 25 Sales/Use Tax Contributors

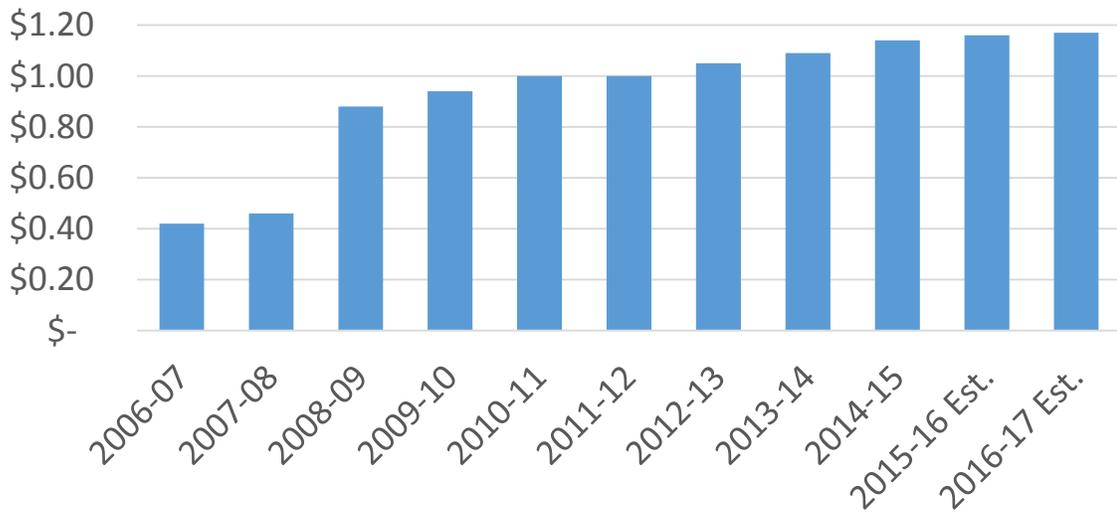
The following list identifies Yountville's top 25 Sales/Use Tax contributors. The list is in alphabetical order and represents sales from January 2015 to December 2015. The Top 25 Sales/Use Tax contributors generate 88.6% of Yountville's total sales and use tax revenue.

Ad Hoc Restaurant	Overland Outfitters
Ashford	Pacific Blues Cafe
Bardessono Inn and Spa	Priest Ranch
Beau Vigne	R & D Kitchen
Bistro Jeanty	Ranch Market Too
Bottega Restaurant	Redd
Bouchon Restaurant	Redd Wood
Ciccio	The French Laundry Restaurant
Handwritten Wines	V Wine Cellar
Hill Family Estate	Vintage Estate
Hope & Grace Wines	Vintage Wine Estates
Hurley's Restaurant & Bar	Hotel Yountville
Jessup Cellars	

Sales Tax - Ten Year History Millions



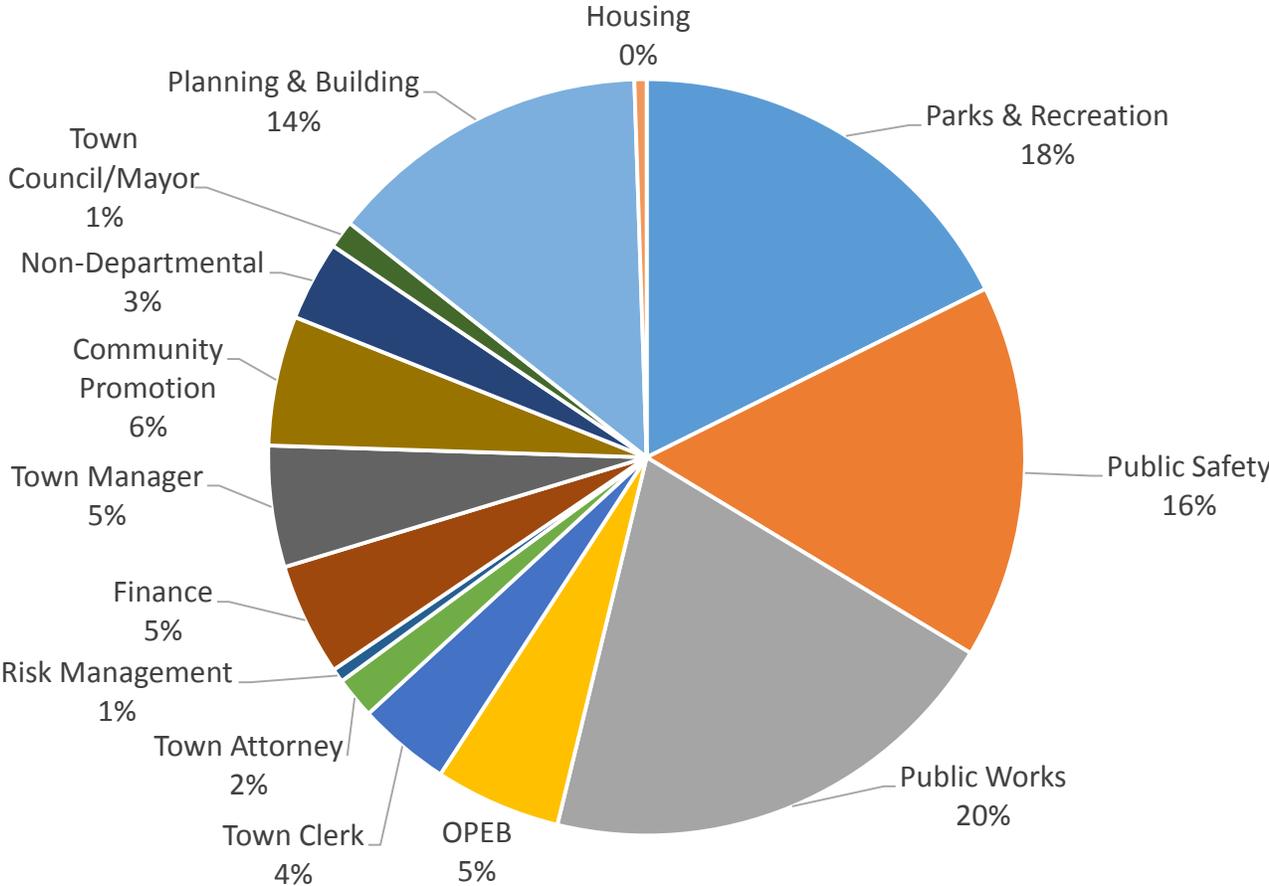
Property Tax - Ten Year History



General Fund Expenditures	2015-16 Estimated	2016-17 Budget	Increase/ (Decrease)	% Change
General Government	\$2,717,277	\$2,811,765	\$94,488	3.48%
Housing	40,620	45,900	5,280	13%
Planning & Building	784,986	1,223,010	438,024	55.80%
Public Safety	1,377,000	1,413,500	36,500	2.65%
Public Works	1,637,595	1,778,453	140,858	8.60%
Parks & Recreation	1,499,511	1,558,891	59,380	3.96%
TOTAL EXPENDITURES	8,056,989	8,831,519	774,530	9.61%
Total Transfers Out	2,654,292	1,888,345	(765,947)	(28.85%)
TOTAL EXPENDITURES & TRANSFERS	\$10,711,281	\$10,719,864	\$8,583	0.08%

General Fund Transfers In/(Out)	2015-16 Estimated	2016-17 Budget	\$ Change
Retiree Health Insurance (OPEB) (02)	-	(120,000)	(120,000)
OPEB Allocation	336,430	-	(336,430)
Tourist Business Improvement District (22)	10,833	10,667	(166)
Fire Emergency Services Fund (28)	-	-	-
Capital Projects (50)	(2,000,000)	(753,700)	1,246,300
Debt Service - 2008 Lease Revenue Bonds (52)	(667,550)	(669,099)	(1,549)
Debt Service - 2013 Lease Revenue Bonds (53)	(334,005)	(356,213)	(22,208)
TOTAL TRANSFERS	\$(2,654,292)	\$(1,888,345)	\$765,947

FY 2016-17 General Fund Expenditures \$8,831,519

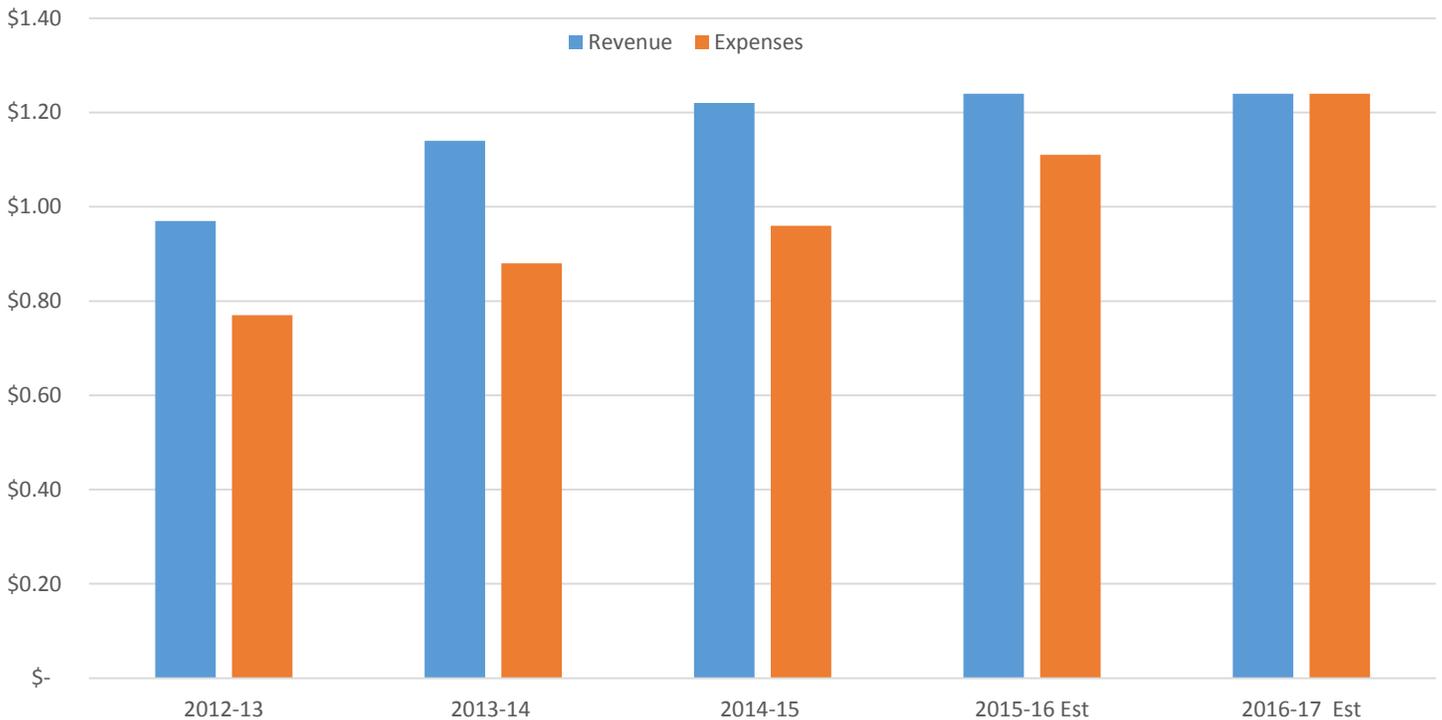


Water Budget Summary

Budget Parameters

- Personnel: 3% CPI & 9% Health Insurance
 - Allocations: OPEB, Liability, Property and Worker’s Comp Insurance
- Revenue Projections follow a blend of Fiscal Year 2015-16 actuals for the first 10 months of the fiscal year and Fiscal Year 2014-15 for the last two months of the fiscal year.
 - No revenue increases, no rate increases.
 - Rate study underway and will be completed early 2017.
 - Water Operating Fund estimated fund balance at June 30, 2016 \$715,596.

Water Operating Revenue and Expenses
Millions

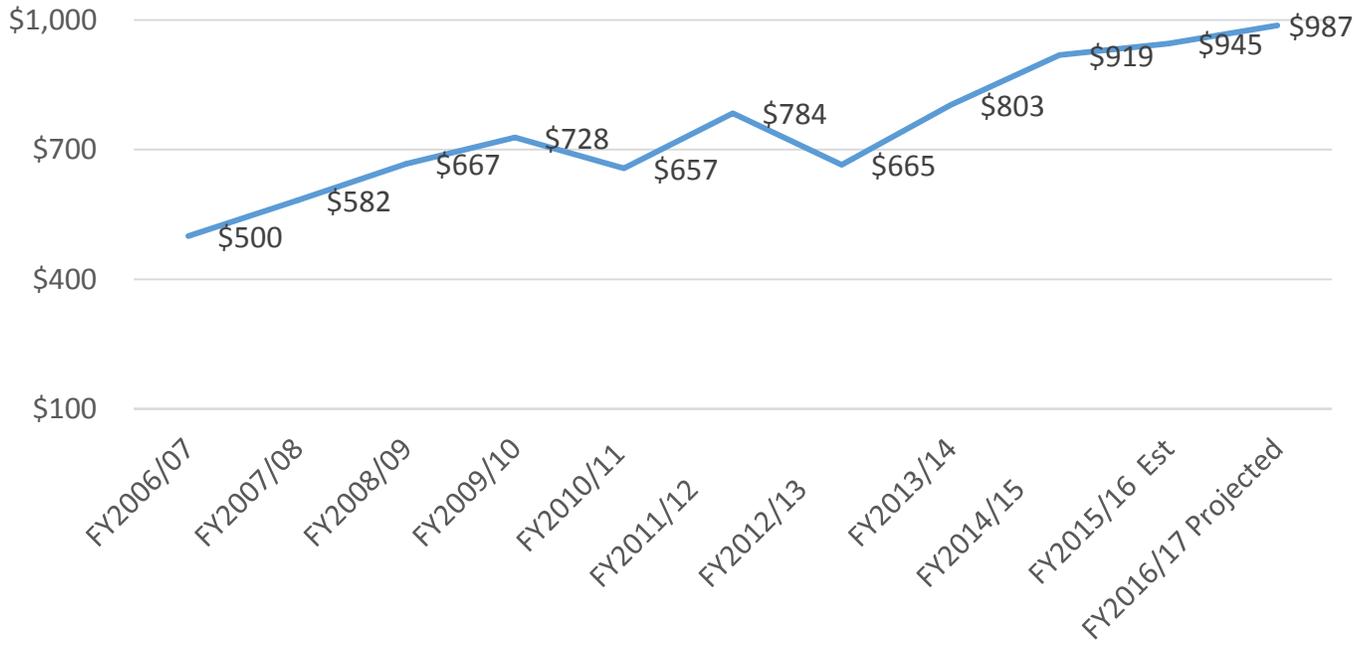


Water Budget Summary

Water Utility Revenue	2014-15 Actuals	2015-16 Estimated	2016-17 Budget	Increase / Decrease Budget less Estimated	% Change
Residential Sales	750,284	768,173	768,170	-3	0.00%
Non Profit Sales	81,971	88,084	88,090	6	0.01%
Commercial Sales	374,896	367,118	367,120	2	0.00%
Other Services	17,880	11,674	11,650	-24	-0.21%
Other Revenue	2,041	8,390	5,000	-3,390	-40.41%
TOTAL REVENUE	\$1,227,072	\$1,243,439	\$1,240,030	(\$3,409)	-0.27%

Water Utility Operating Expenses	2014-15 Actuals	2015-16 Estimated	2016-17 Budget	Increase / Decrease Budget less Estimated	% Change
Personnel	249,283	325,955	380,790	54,835	16.82%
Supplies & Services	108,281	133,276	174,950	41,674	31.27%
Capital Outlay	6,485	3,000	9,800	6,800	226.67%
Water Purchases	528,331	578,450	604,070	25,620	4.43%
Depreciation Expense	70,208	75,000	78,000	3,000	4.00%
TOTAL OPERATING EXPENSES	\$962,588	\$1,115,681	\$1,247,610	\$131,929	11.82%

Cost Per Acre Foot Water Purchase History



Water Capital Improvement Projects

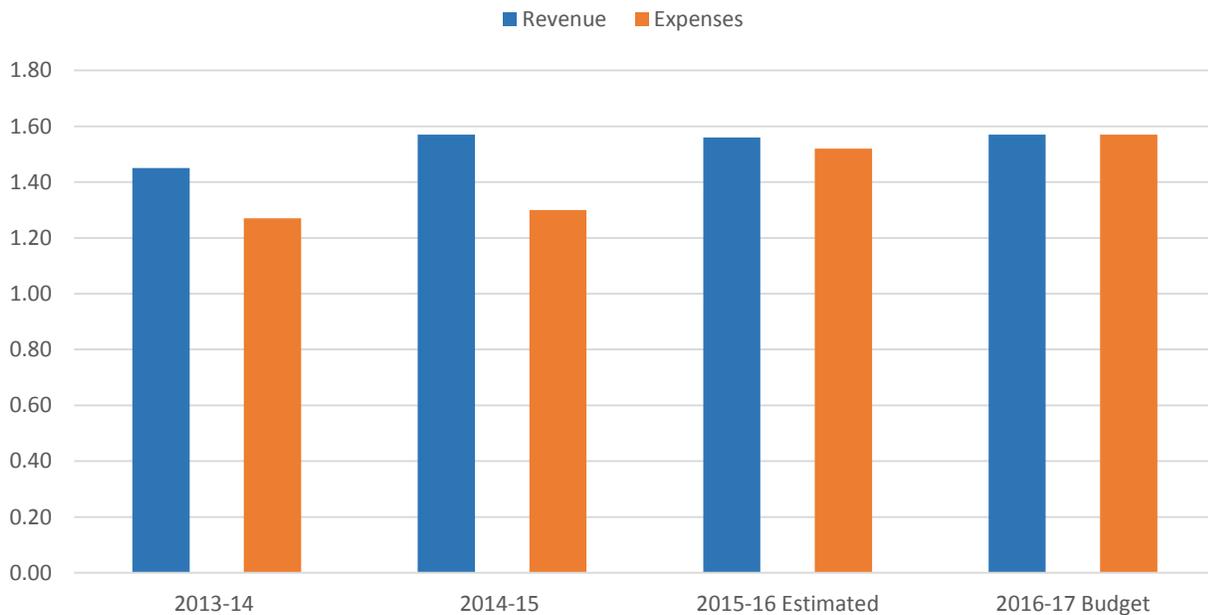
Project Number	Description	Budget
WA-0008	Yountville Crossroads Water Main Replacement	\$160,000
WA-0009	Water Dist. System Improvements and Blow-Offs	\$70,000
WA-2017	Water Meter Replacements	\$40,590
WA-3017	Service Lateral Replacements	\$105,000
	Total Water Capital Projects	\$375,590

Wastewater Budget Summary

Budget Parameters

- Personnel: 3% CPI, 9% Health Insurance
 - Allocations: OPEB, Liability, Property and Worker's Comp Insurance
- Revenue Projections follow Fiscal Year 2014/15 Actuals
 - No revenue increases, no rate increases.
 - Rate study underway will be completed early 2017.
- The Town's largest wastewater treatment customer is the Veteran's Home; they pay approximately 50% of all treatment operating costs
 - End of year reconciliation
- Wastewater Operating Fund estimated fund balance at June 30, 2016: \$42,866

Wastewater Utility Revenues & Expenses Millions



Wastewater Budget Summary

Wastewater Utility Revenue	2014-15 Actual	2015-16 Estimated	2016-17 Budget	Increase/ Decrease Budget less Estimated	% Change
Residential Sales	395,843	425,000	395,700	-29,300	-6.89%
Commercial Sales	476,682	480,000	476,600	-3,400	-0.71%
Veteran's Home	650,197	594,543	650,200	55,657	9.36%
Reclaimed Water Sales	51,478	60,000	51,400	-8,600	-14.33%
TOTAL REVENUE	\$1,574,199	\$1,559,543	\$1,573,900	\$14,357	0.92%

Wastewater Utility Expenses	2014-15 Actual	2015-16 Estimated	2016-17 Budget	Increase/ Decrease Budget less Estimated	% Change
Personnel	570,447	667,420	739,860	72,440	10.85%
Supplies & Services	476,861	503,075	550,530	47,455	9.43%
Capital Outlay	0	0	18,300	18,300	0.00%
Debt Service	15,434	21,275	12,525	-8,750	-41.13%
Depreciation Expense	237,964	330,000	253,000	-77,000	-23.33%
TOTAL EXPENSES	\$1,300,706	\$1,521,770	\$1,574,215	\$52,445	3.45%

Wastewater Capital Improvement Projects

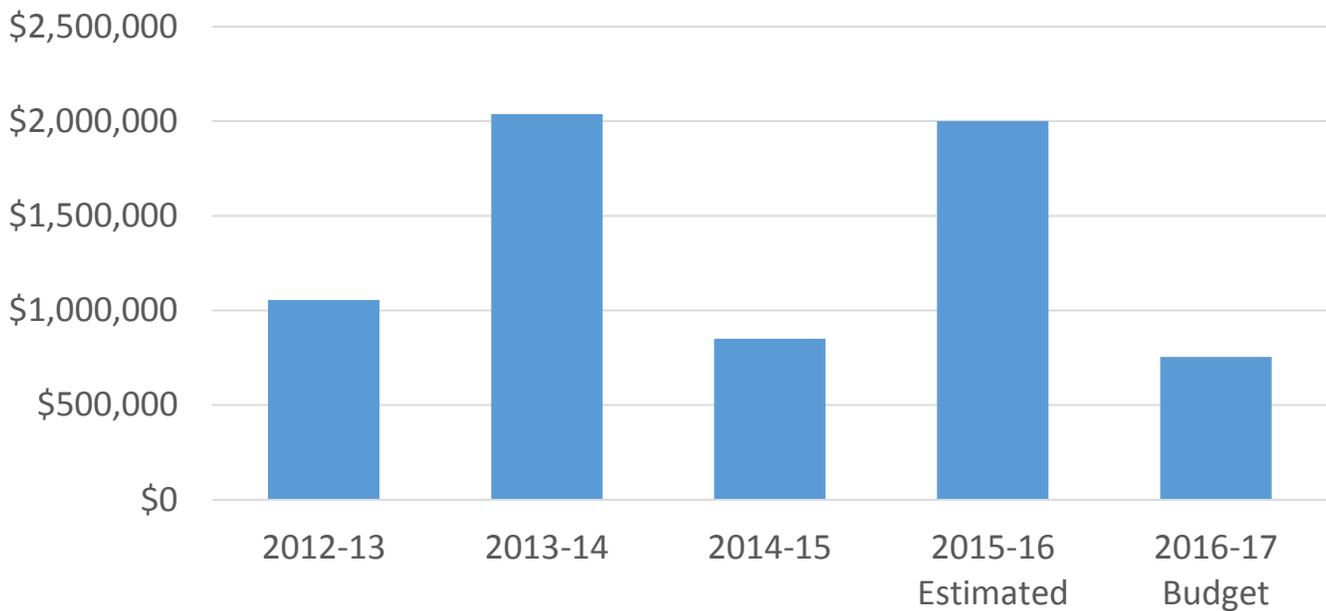
Project Number	Description	Budget
WW-2017	Inflow & Infiltration Reduction Program	\$67,863
WW-3017	Sewer Main Replacement Program	\$65,825
WW-4017	Plant Equipment Replacement	\$60,774
WW-5017	Pump Station Equipment Replacement Program	\$10,000
	Total Wastewater Collection System Capital Projects	\$204,462

Capital Projects Summary

Approximately \$2M budget allocated as follows:

- Civic Facilities (CF) \$157,143
- Community Projects (CP) \$343,522
- Drainage and Flood Control (DF) \$110,000
- Parks and Recreation (PK) \$529,310
- Streets and Transportation (ST) \$765,000

General Fund Transfers to Capital Improvement Fund (50)
5 Year History, Cumulative: \$6.69 Million



Civic Facilities Projects

Project Number	Description	Budget
CF-0005	Community Center Trash Enclosure	\$85,000
CF-0011	Town Hall Council Chambers Improvements	\$5,000
CF-0016	Town Hall	\$10,000
CF-2017	Equipment Replacement – Town Buildings	\$25,526
CF-4017	Civic Facilities Renovations	\$31,901
Total Civic Facilities Projects		\$157,433

Community Projects

Project Number	Description	Budget
CP-0007	GIS Mapping Improvements	\$50,000
CP-0010	Yountville Park Parking Improvements	\$50,000
CP-0015	Community Wi-Fi / Hotspot	\$50,000
CP-0017	Community Hall Fire and Smoke Detection System	\$40,000
CP-2017	ADA Accessibility Improvements Program	\$150,000
CP-3017	Curb, Butter, & Sidewalk Replacement	\$25,000
CP-6017	Vehicle & Major Equipment Replacement	\$30,422
CP-7017	Pavement Treatment - Paths & Parking Lots	\$10,000
	Total Community Projects	\$405,422

Drainage and Flood Control Projects

Project Number	Description	Budget
DF-0005	Washington St. Drainage - Pedroni St. to Jefferson St.	\$80,000
DF-0017	Drainage Inlets Full Trash Capture	\$15,000
DF-2017	Town Wide Drainage and Erosion Program	\$15,000
Total Drainage & Flood Control Projects		\$110,000

Parks and Recreation Projects

Project Number	Description	Budget
PK-0004	Van De Leur Fencing Replacement	\$30,000
PK-0014	Parks Restroom Floors	\$25,000
PK-0015	Veterans Memorial Park Renovations	\$350,000
PK-0016	Parks and Recreations Utility Vehicle	\$25,000
PK-3017	Park Major Equipment Replacement Program	\$24,310
PK-4017	Park Paths Program	\$15,000
PK-6017	Swimming Pool Replacement Program	\$60,000
Total Parks & Recreation Projects		\$529,310

Streets and Transportation Projects

Project Number	Description	Budget
ST-0004	Surveys and Monuments Book	\$25,000
ST-0006	Hopper Creek Bridge Barrier Rail	\$90,000
ST-0015	Yountville Crossroads Street Reconstruction	\$600,000
ST-4017	Traffic Calming Program	\$30,000
ST-5017	Street Light Replacement Program	\$75,000
Total Streets & Transportation Projects		\$820,000