

Town of Vienna

Water & Sewer Rate Study

March 18, 2024

Willdan Financial Services

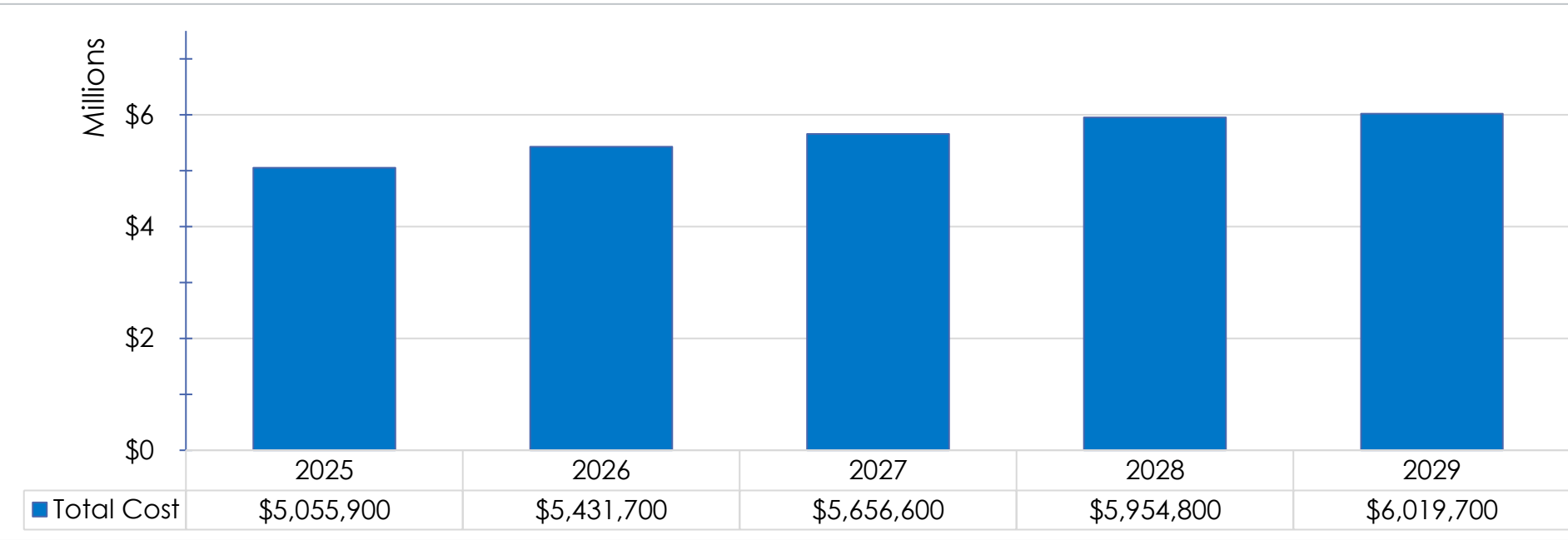
- Daryll Parker, Principal Consultant



Factors Driving Financial Plans & Recommendations

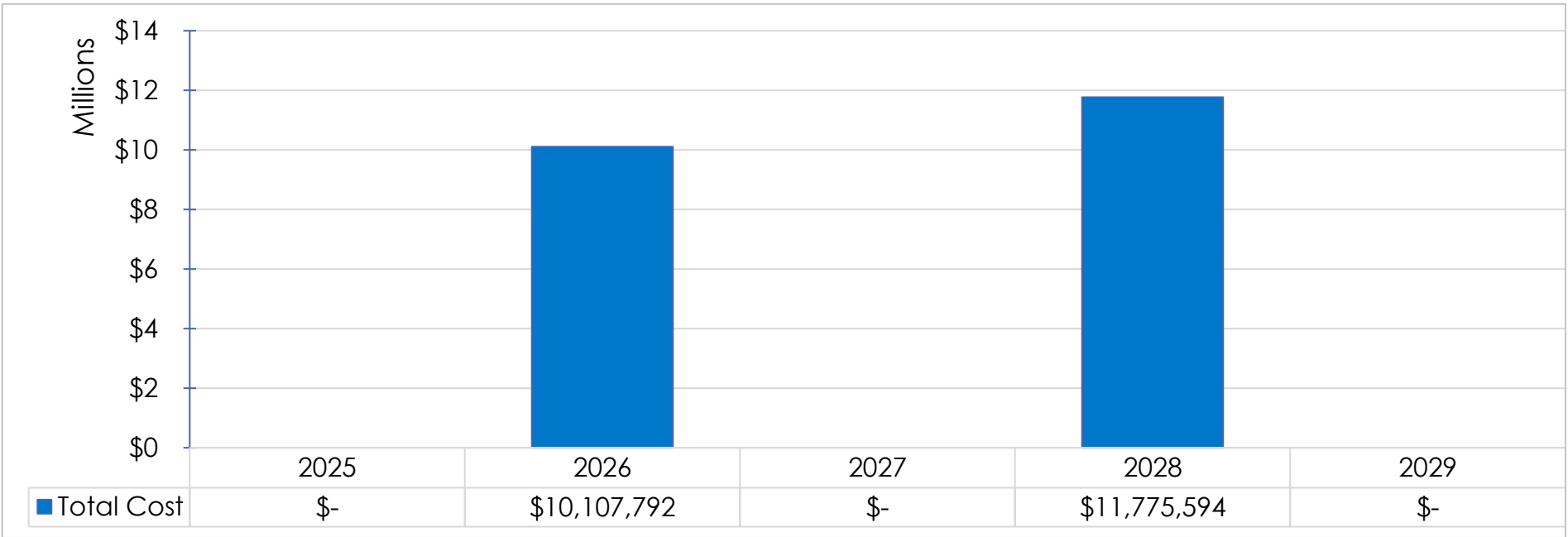
- Rising operating costs (equipment, supplies, treatment, etc.)
 - Wholesale Treatment Costs
 - Inflationary Impacts
 - Rising personnel costs (labor, benefits, etc.)
- Meet common financial goals (debt service coverage, liquidity, etc.)
- Funding major capital expenditures:
 - Various Water & Sewer Projects
 - Fairfax Sewer Capital Improvements (Vienna's Share)
 - Line Replacement & Vehicle Replacement Program

Capital Improvement Plan (CIP)



5-Year Total = \$28.1 Million

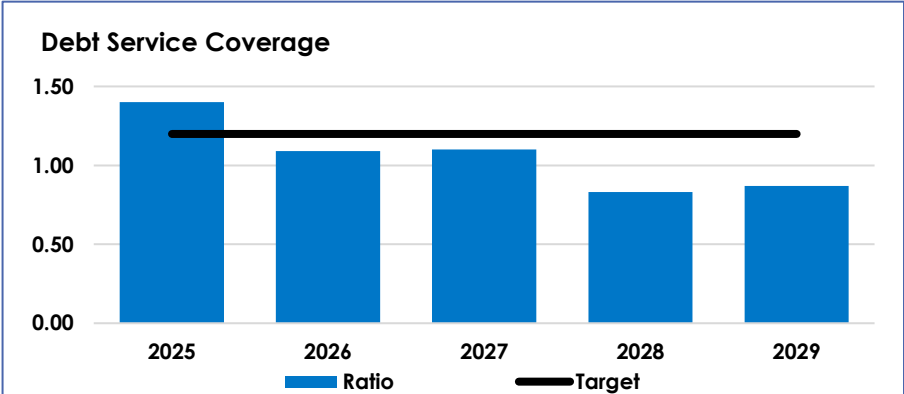
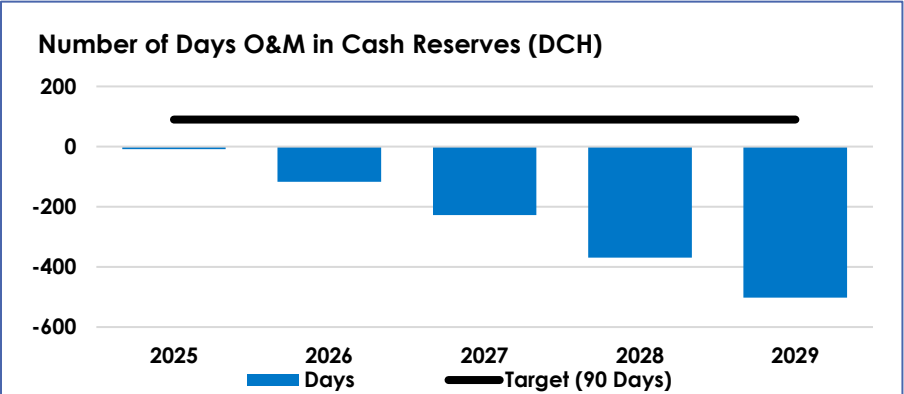
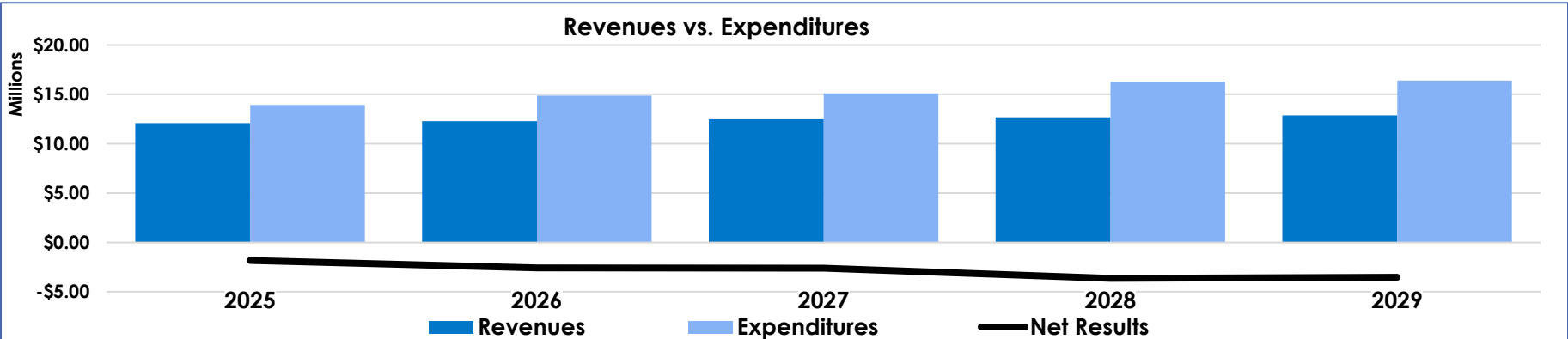
Future Debt for Capital Funding



5-Year Total = \$21.9 Million

Status Quo Financial Projections

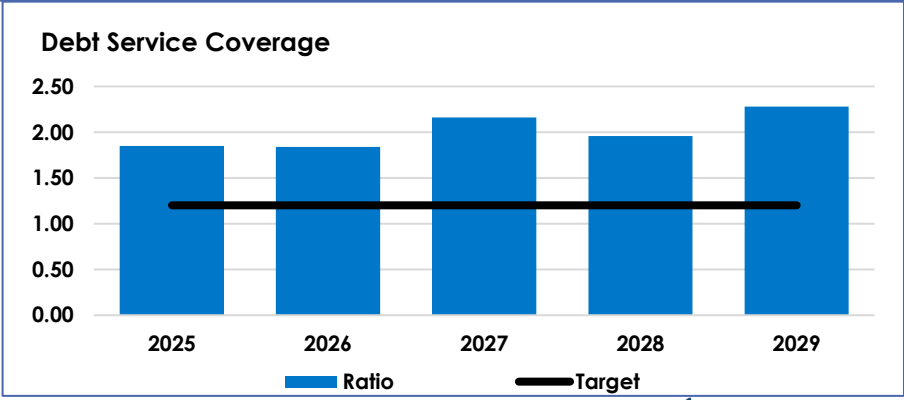
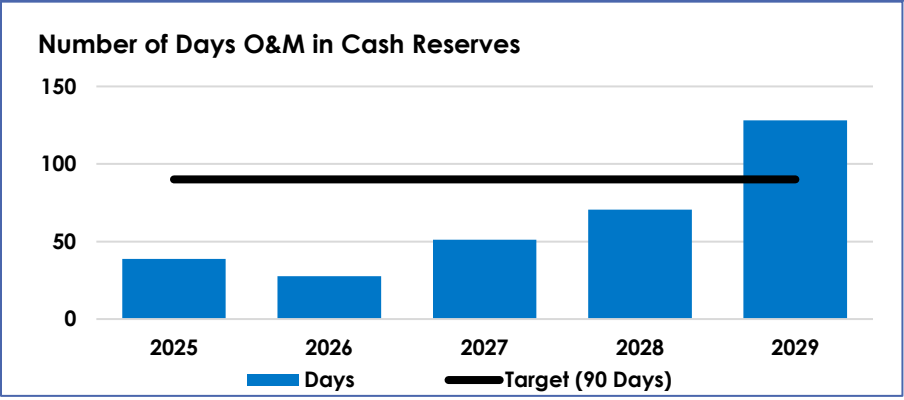
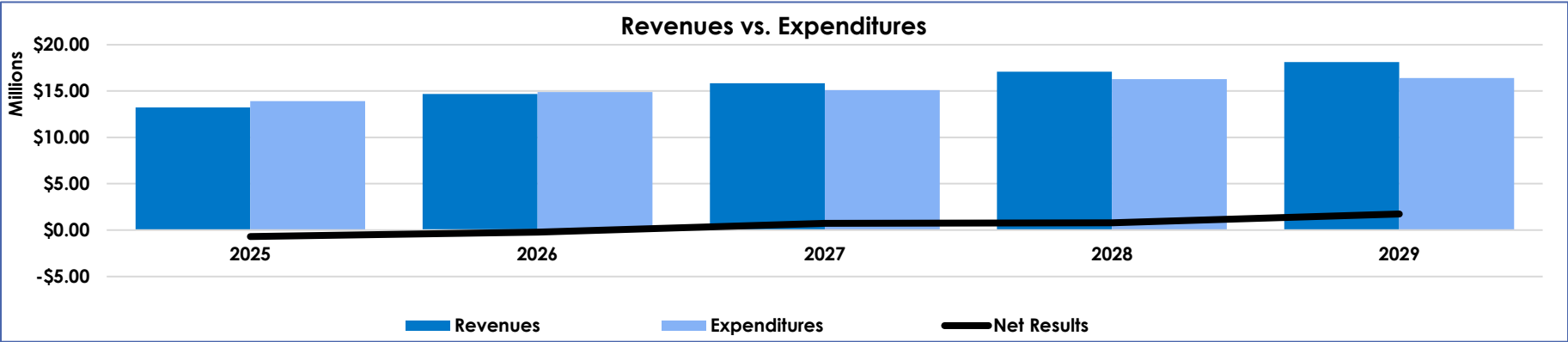
Financial Metrics: No Change to Existing Rates



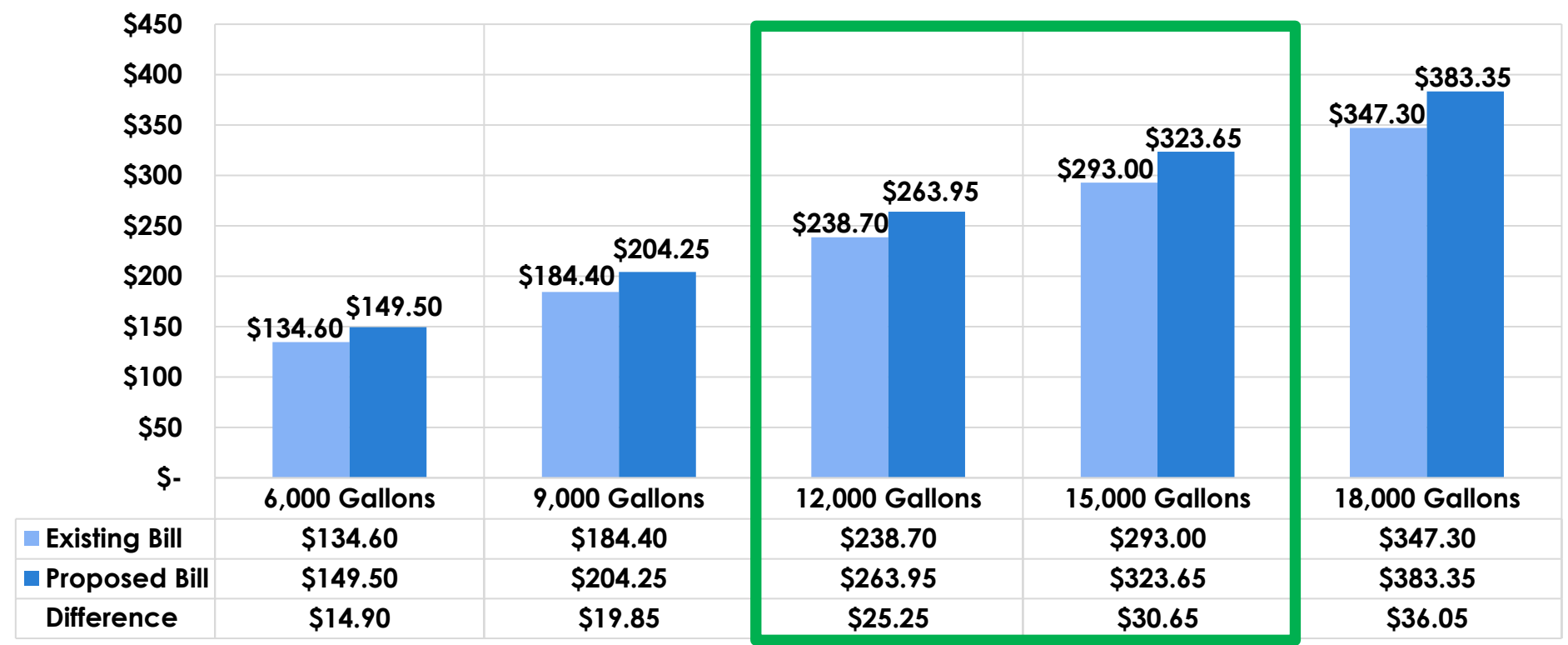
Doing nothing
is **NOT** an
option

Financial Projections with Proposed Rates

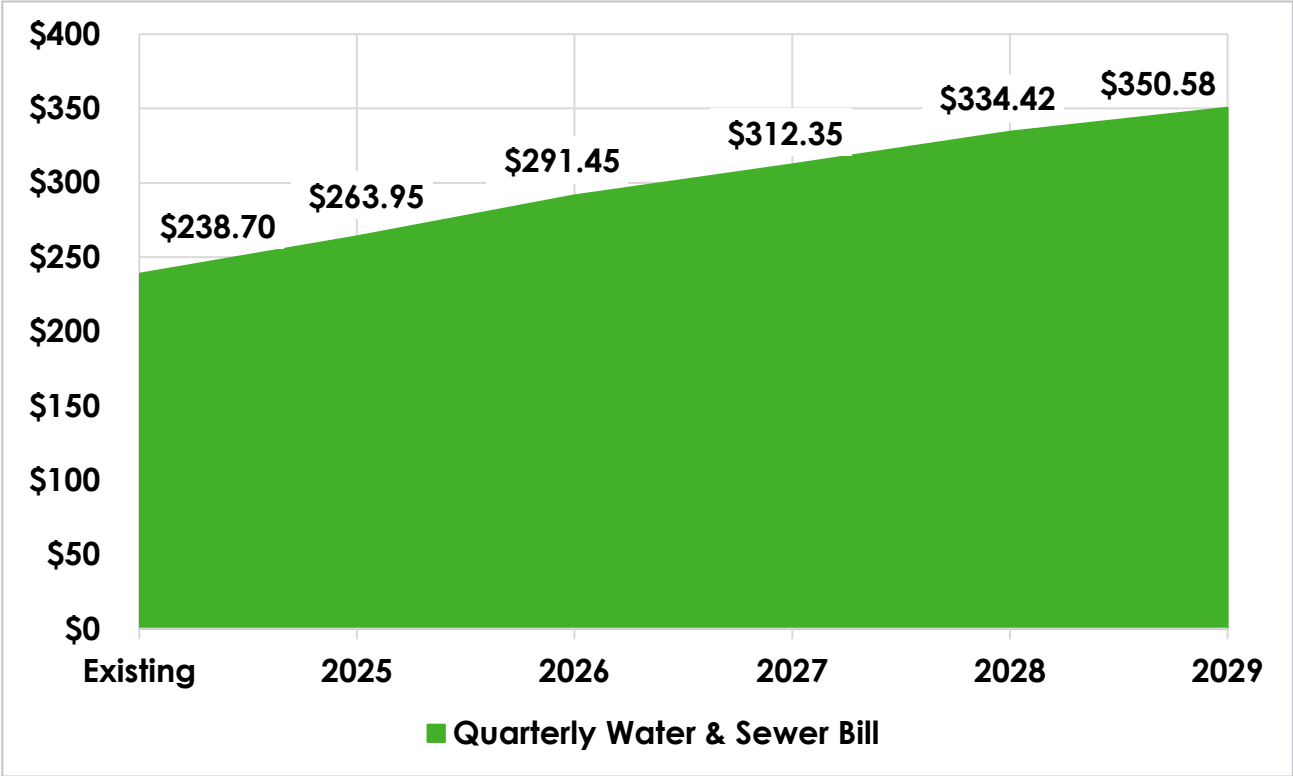
Financial Metrics: Proposed Rates



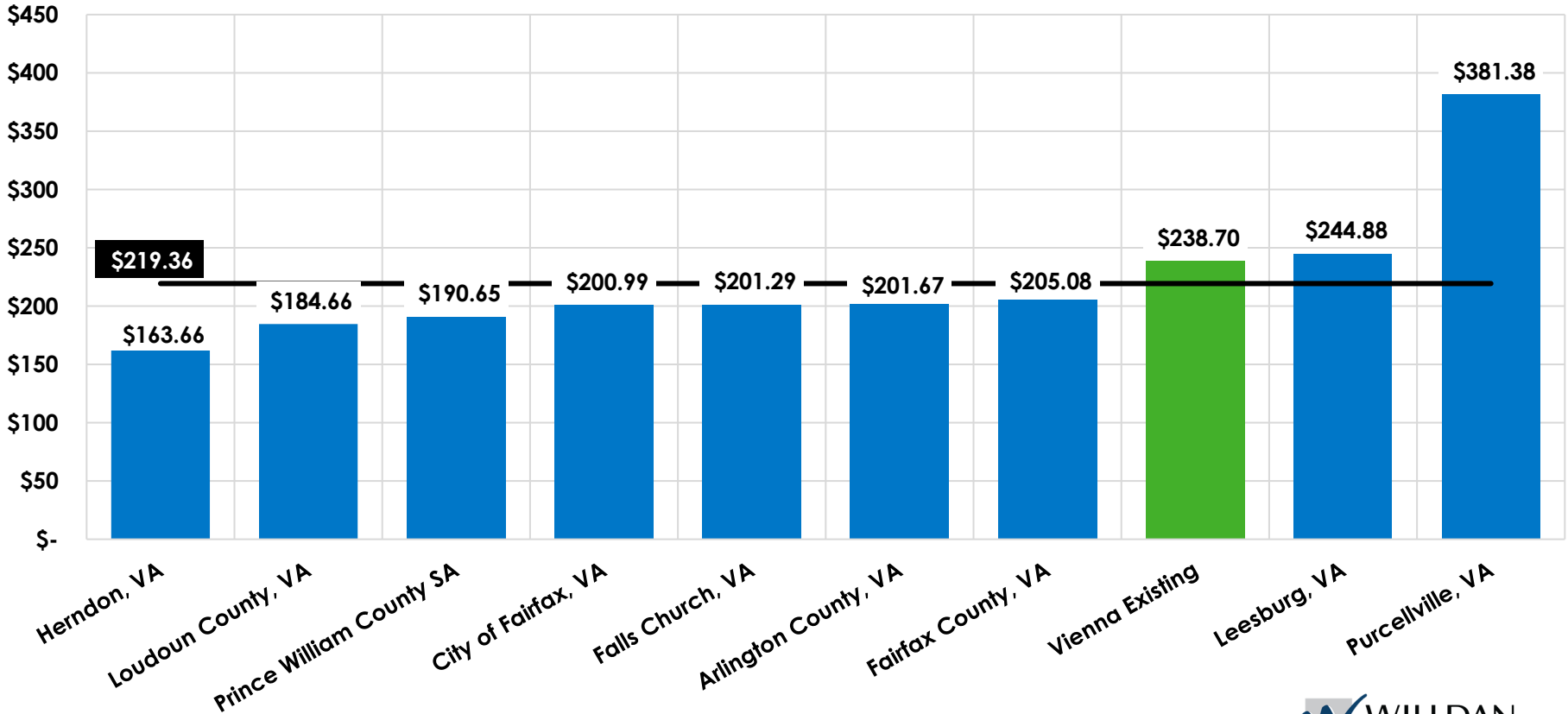
Quarterly Bill Comparison @ Various Flows



Projected Bill @ 12,000 Gallons/Quarter



Neighboring Utility Comparison @ 12,000 Gallons



■ Total Quarterly Water & Sewer Bill — Average of Comparison Utilities



Conclusions

- Ongoing capital improvement needs
- Rate adjustments needed to:
 - Pay for increasing utility operating and wholesale treatment costs
 - Pay for new debt service obligations
- Meet targeted financial metrics
 - Debt service coverage
 - Fund balance reserves/Days cash on hand

QUESTIONS