

MINUTES
PURCELLVILLE TOWN COUNCIL MEETING WORK SESSION
TUESDAY, MAY 24, 2022, 7:00 PM
TOWN HALL COUNCIL CHAMBERS

Meeting recording can be found at the following link: <https://purcellvilleva.new.swagit.com/videos/174446>

COUNCIL MEMBERS PRESENT:

Kwasi Fraser, Mayor
Tip Stinnette, Council Member
Stan Milan, Council Member (Remote participation-reason unknown)
Joel Grewe, Council Member
Mary Jane Williams, Council Member
Erin Rayner, Council Member
Christopher Bertaut, Vice Mayor

STAFF PRESENT:

David Mekarski, Town Manager
Sally Hankins, Town Attorney
Deputy Chief Dailey, Police Department
Elizabeth Krens, Director of Finance
Connie LeMarr, Assistant Director of Finance
Linda Jackson, Budget Analyst
Jason Didawick, Director of Public Works
Dale Lehnig, Director of Engineering, Planning & Development (Remote)
Don Dooley, Director of Planning & Economic Development (Remote)
Diana Hays, Town Clerk/Executive Assistant
Kimberly Bandy, Deputy Town Clerk

CALL TO ORDER:

Mayor Fraser called the meeting to order at 7:00 PM. The Pledge of Allegiance followed and a moment of silence for the recent events in the nation.

AGENDA AMENDMENTS:

Council member Grewe Lidar confirmed that the Lidar discussion and the closed session have been removed

CONSENT AGENDA:

a. Approval of Meeting Minutes

- May 10, 2022
- May 17, 2022 Emergency Meeting

Council member Grewe made a motion that the Town Council approve the Consent Agenda items 6a.-b. as presented in the May 24, 2022 Town Council Meeting Work Session agenda packet.

(Carried: 7-0, Grewe: Aye, Bertaut: Aye, Stinnette: Aye, Williams: Aye, Milan: Aye, Rayner: Aye, Fraser: Aye)

RECOGNITION:

a. Sons of the American Revolution Award

Rhett Wade, Sons of the American Revolution, read the proclamation into the record for the recognition of Sergeant David Camp and Officer Alexander Burkett.

PRESENTATION:

a. Long-Term Utility Rate Modeling (Stantec and Davenport)(*On file at the Clerk's Office*)

David Hyder, Stantec, gave the presentation.

Kyle Laux, Davenport, was also in attendance to participate in the discussion.

A discussion of Council, Staff, and representatives of Stantec and Davenport occurred.

CITIZEN/BUSINESS COMMENTS

Casey Chapman, 205 Hirst Road, commented on recognizing the police this evening and acknowledging work of staff.

Uta Brown shared comments on her thoughts regarding the development on 21st Street.

MAYOR AND COUNCIL COMMENTS

Council members were given 3 minutes for comments.

ACTION ITEMS:

a. Resolution Recognizing May 15, 2022 through May 21, 2022 as Purcellville Police Week

Vice Mayor Bertaut moved that the Purcellville Town Council adopt Resolution 22-05-01 to request May 15, 2022 through May 21, 2022 as Purcellville Police Week

Council member Stinnette read the Resolution into record.

(**Carried: 7-0**, Grewe: Aye, Bertaut: Aye, Stinnette: Aye, Williams: Aye, Milan: Aye, Rayner: Aye, Fraser: Aye)

b. Acceptance of \$15,000 Grant from the Saris Foundation

Sally Hankins, Town Attorney, gave the report. There is an agreement that a sign would be resurrected displaying Saris Foundation being recognized and be under a cost of \$500.00. Ms. Hankins envisioned a sign that would recognize all contributors.

Council member Stinnette moved that Town Council accept on behalf of the Town a \$15,000 grant from the Saris Foundation for improvements to the Town's bike park subject to the terms and conditions of the Grant Agreement as attached to the Council's May 24, 2022 agenda, which the Town Manager is hereby directed and authorized to execute.

(Carried: 7-0, Grewe: Aye, Bertaut: Aye, Stinnette: Aye, Williams: Aye, Milan: Aye, Rayner: Aye, Fraser: Aye)

c. Approval of Acceptance of Partial Funding of G Street Sidewalk Project

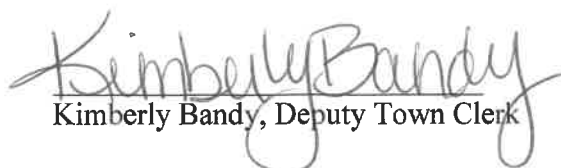
David Mekarski, Town Manager, introduced the item. Dale Lehnig, Director of Engineering, Planning and Development, gave the report. Dale Lehnig clarified a better understanding of the staff report and a need to commit to moving the project forward with a time commitment by 2024 for the amount mentioned and to possibly reach out for additional funding through Loudoun County CIP and transportation alternatives. Mayor requested that staff craft a letter from Council to Board of Supervisors for support with this project.

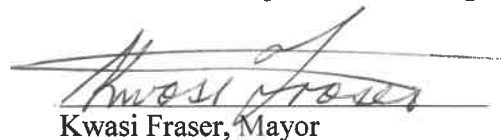
Vice Mayor Bertaut move that the Town Council accept the funding offered through the VDOT Transportation Alternatives grant, in the amount of \$701,244, for the G Street Sidewalk Improvements Project, and that the Town commits to fund the remaining share of the project. He further moved that the Town Manager is authorized to execute all agreements and/or addendums with the Virginia Department of Transportation associated with this project.

(Carried: 7-0, Grewe: Aye, Bertaut: Aye, Stinnette: Aye, Williams: Aye, Milan: Aye, Rayner: Aye, Fraser: Aye)

ADJOURNMENT

With no further business, Council member Grewe made a motion to adjourn the meeting at 9:25PM and unanimously carried 7-0.


Kimberly Bandy, Deputy Town Clerk


Kwasi Fraser, Mayor



Town of Purcellville

Utility Rate Modeling

May 24, 2022



Agenda

- 1) Modeling Assumptions
- 2) Water Fund Forecast
- 3) Sewer Fund Forecast



Modeling Assumptions – O&M Cost Escalation

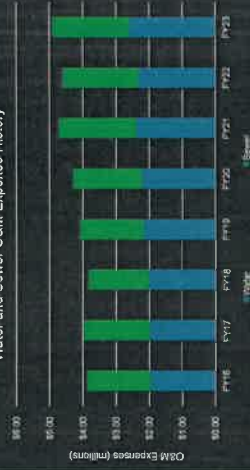
Purcellville Inflation

- Average 3.7% and 3.5% annual expense increase for water and sewer, respectively, over last 7 years
- Model uses FY23 budgeted expenditures
- Future expenditures escalated at 2.5% per year

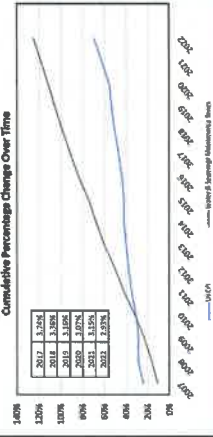
Industry Inflation

- CPI vs. Water & Sewer Maintenance Series Trends
- W & S shows ~ 3% annual average increase over the last 5 years

Water and Sewer O&M Expense History



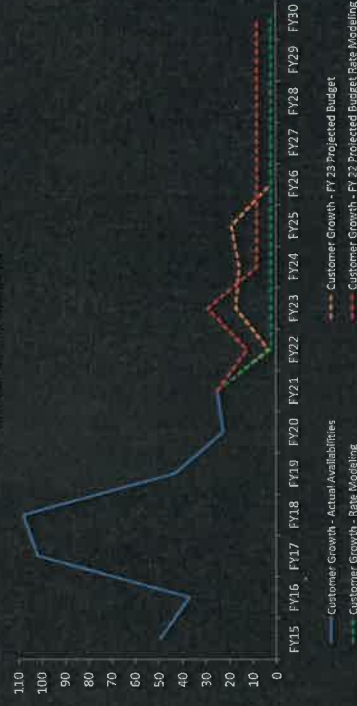
US CPI v. Water & Sewer Maintenance Series: Cumulative Percentage Change Over Time



Modeling Assumptions – Customer Growth and Usage

- Rate Modeling: 2 availabilities per year
- Billable consumption is forecasted with a 1% decline per year per account

Number of Availabilities





Availabilities

Number of Availabilities	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	Total
FY 23 Budget	3.0	17.0	15.5	18.0	2.0	2.0	2.0	2.0	2.0	64.5
FY 22 Budget / Prior Rate Modeling	12.0	28.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	97.0
Anticipated for Modeling	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	18.0

Availability Fee Revenue (\$ millions)	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	Total
FY 23 Budget	\$0.14	\$0.81	\$0.73	\$0.80	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$3.05
FY 22 Budget / Prior Rate Modeling	\$0.67	\$1.37	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$4.59
Anticipated for Modeling	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.85

Change in assumed availabilities has significant impact on financial forecast / rate modeling



Basic Equivalents

Revenues

- 1% increase in Water Rates = \$23,000 in Additional Water Revenue
- 1% increase in Sewer Rates = \$34,000 in Additional Sewer Revenue

Expenditure Impacts

- 4.4% rate increase required for every \$100k in additional Water Exp
- 2.9% rate increase required for every \$100k in additional Sewer Exp

Water: Current Revenues vs. Expenses (No Rate Funded CIP)

Revenues (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Current User Rates	\$2.26	\$2.24	\$2.22	\$2.20	\$2.18	\$2.17	\$2.15	\$2.13	\$2.12	\$2.10
Other Revenues	\$0.36	\$0.26	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.26	\$0.26	\$0.26
Availability Fees	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Total Revenues	\$2.68	\$2.56	\$2.54	\$2.53	\$2.51	\$2.49	\$2.47	\$2.45	\$2.43	\$2.41
Expenditures (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Operating and Maintenance	\$2.62	\$2.68	\$2.75	\$2.82	\$2.89	\$2.96	\$3.03	\$3.11	\$3.18	\$3.27
Minor Capital	\$0.03	\$0.08	\$0.03	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.05
Existing Debt Service	\$0.50	\$0.53	\$0.53	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76
Total Expenditures	\$3.15	\$3.26	\$3.31	\$3.62	\$3.69	\$3.76	\$3.84	\$3.91	\$3.99	\$4.07
Revenues Less Expenditures (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Annual Surplus / (Shortfall)	(\$0.46)	(\$0.70)	(\$0.76)	(\$1.09)	(\$1.16)	(\$1.27)	(\$1.37)	(\$1.47)	(\$1.56)	(\$1.66)
Cumulative Surplus / (Shortfall)	(\$0.46)	(\$1.16)	(\$1.92)	(\$3.02)	(\$4.18)**	(\$5.46)	(\$6.83)***	(\$8.30)	(\$9.86)	(\$11.52)

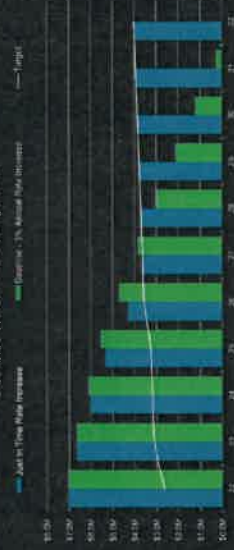
* Nutrient Credit is eligible
 ** Annual Credit Surplus Exceeds target levels
 *** Water Credit Surplus is projected

Future rate adjustments are required to align revenues with annual expenditures = achieve structural balance

Water: Just in Time Rate Increases – No Rate Funded Capital

Baseline vs. Just in Time Expenses (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Rate Increase	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Revenues (millions)	\$2.75	\$2.70	\$2.74	\$2.79	\$2.85	\$2.90	\$2.95	\$3.00	\$3.05	\$3.10
Monthly/Quarterly Water Bill	\$49,391.4	\$44,651.5	\$48,981.5	\$47,391.6	\$48,791.6	\$50,291.7	\$51,791.7	\$53,291.8	\$54,891.8	\$56,491.8
Just in Time Rate Increase	3.0%	0.0%	0.0%	0.0%	22.0%	31.0%	3.0%	3.0%	3.0%	3.0%
Revenues (millions)	\$2.75	\$2.63	\$2.61	\$2.59	\$3.04	\$3.63	\$3.91	\$3.98	\$4.07	\$4.15
Monthly/Quarterly Water Bill	\$49,391.4	\$43,391.4	\$43,391.4	\$43,391.4	\$62,891.8	\$69,292.3	\$71,292.4	\$71,492.4	\$75,892.5	\$77,992.6

Forecasted Water Fund Cash Balance



Debt Service increase in 2026 of \$225K to a total payment of \$760K per year

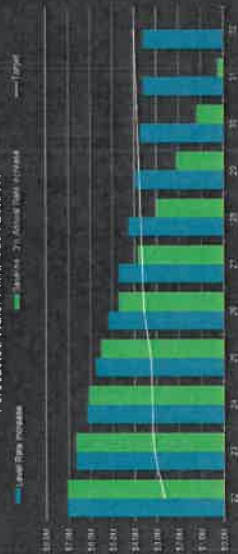
Assumes use of Nutrient Credit to fund near-term shortfalls

CIP: FY22 – 23 ARPA/VDOT Funded Only
 • ARPA = \$7.5M
 • VDOT = \$0.2M

Water: Level Rate Increases – No Rate Funded Capital

Baseline vs. Level	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Expense (millions)	\$3.15	\$3.26	\$3.31	\$3.62	\$3.60	\$3.78	\$3.84	\$3.61	\$3.88	\$4.07
Baseline Rate Increase	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Revenue (millions)	\$2.75	\$2.70	\$2.74	\$2.79	\$2.85	\$2.80	\$2.95	\$3.00	\$3.05	\$3.10
Monthly/Daily Water Bill	\$43,395.4	\$44,651.5	\$45,905.5	\$47,351.6	\$48,781.6	\$50,281.7	\$51,751.7	\$53,391.8	\$54,951.8	\$56,551.9
Level Rate Increase	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Revenue (millions)	\$2.75	\$2.77	\$2.80	\$2.84	\$2.89	\$2.95	\$3.01	\$3.08	\$3.16	\$3.24
Monthly/Daily Water Bill	\$43,395.4	\$44,161.5	\$44,915.5	\$45,751.7	\$46,581.9	\$47,392.3	\$48,202.3	\$49,012.4	\$49,822.5	\$50,632.5

Forecasted Water Fund Cash Balance



Debt Service Increase in 2026 of \$225K to a total payment of \$760K per year

Assumes use of Nutrient Credit to fund near-term shortfalls

CIP: FY22 – 23 ARPA/VDOT Funded Only

- ARPA = \$7.5M
- VDOT = \$0.2M

Water Capital Improvement Plan

Description	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	Funding Source
1. Replace 100' Water Main Replacement	120,050											Cash
2. Replace 100' Water Main Replacement	50,078											Cash
3. Replace 100' Water Main Replacement	40,067											Cash
4. Replace 100' Water Main Replacement	30,056											Cash
5. Replace 100' Water Main Replacement	20,045											Cash
6. Replace 100' Water Main Replacement	10,034											Cash
7. Replace 100' Water Main Replacement	5,023											Cash
8. Replace 100' Water Main Replacement	5,012											Cash
9. Replace 100' Water Main Replacement	5,001											Cash
10. Replace 100' Water Main Replacement	5,000											Cash
11. Replace 100' Water Main Replacement	5,000											Cash
12. Replace 100' Water Main Replacement	5,000											Cash
13. Replace 100' Water Main Replacement	5,000											Cash
14. Replace 100' Water Main Replacement	5,000											Cash
15. Replace 100' Water Main Replacement	5,000											Cash
16. Replace 100' Water Main Replacement	5,000											Cash
17. Replace 100' Water Main Replacement	5,000											Cash
18. Replace 100' Water Main Replacement	5,000											Cash
19. Replace 100' Water Main Replacement	5,000											Cash
20. Replace 100' Water Main Replacement	5,000											Cash
21. Replace 100' Water Main Replacement	5,000											Cash
22. Replace 100' Water Main Replacement	5,000											Cash
23. Replace 100' Water Main Replacement	5,000											Cash
24. Replace 100' Water Main Replacement	5,000											Cash
25. Replace 100' Water Main Replacement	5,000											Cash
26. Replace 100' Water Main Replacement	5,000											Cash
27. Replace 100' Water Main Replacement	5,000											Cash
28. Replace 100' Water Main Replacement	5,000											Cash
29. Replace 100' Water Main Replacement	5,000											Cash
30. Replace 100' Water Main Replacement	5,000											Cash
31. Replace 100' Water Main Replacement	5,000											Cash
32. Replace 100' Water Main Replacement	5,000											Cash
33. Replace 100' Water Main Replacement	5,000											Cash
34. Replace 100' Water Main Replacement	5,000											Cash
35. Replace 100' Water Main Replacement	5,000											Cash
36. Replace 100' Water Main Replacement	5,000											Cash
37. Replace 100' Water Main Replacement	5,000											Cash
38. Replace 100' Water Main Replacement	5,000											Cash
39. Replace 100' Water Main Replacement	5,000											Cash
40. Replace 100' Water Main Replacement	5,000											Cash
41. Replace 100' Water Main Replacement	5,000											Cash
42. Replace 100' Water Main Replacement	5,000											Cash
43. Replace 100' Water Main Replacement	5,000											Cash
44. Replace 100' Water Main Replacement	5,000											Cash
45. Replace 100' Water Main Replacement	5,000											Cash
46. Replace 100' Water Main Replacement	5,000											Cash
47. Replace 100' Water Main Replacement	5,000											Cash
48. Replace 100' Water Main Replacement	5,000											Cash
49. Replace 100' Water Main Replacement	5,000											Cash
50. Replace 100' Water Main Replacement	5,000											Cash
51. Replace 100' Water Main Replacement	5,000											Cash
52. Replace 100' Water Main Replacement	5,000											Cash
53. Replace 100' Water Main Replacement	5,000											Cash
54. Replace 100' Water Main Replacement	5,000											Cash
55. Replace 100' Water Main Replacement	5,000											Cash
56. Replace 100' Water Main Replacement	5,000											Cash
57. Replace 100' Water Main Replacement	5,000											Cash
58. Replace 100' Water Main Replacement	5,000											Cash
59. Replace 100' Water Main Replacement	5,000											Cash
60. Replace 100' Water Main Replacement	5,000											Cash
61. Replace 100' Water Main Replacement	5,000											Cash
62. Replace 100' Water Main Replacement	5,000											Cash
63. Replace 100' Water Main Replacement	5,000											Cash
64. Replace 100' Water Main Replacement	5,000											Cash
65. Replace 100' Water Main Replacement	5,000											Cash
66. Replace 100' Water Main Replacement	5,000											Cash
67. Replace 100' Water Main Replacement	5,000											Cash
68. Replace 100' Water Main Replacement	5,000											Cash
69. Replace 100' Water Main Replacement	5,000											Cash
70. Replace 100' Water Main Replacement	5,000											Cash
71. Replace 100' Water Main Replacement	5,000											Cash
72. Replace 100' Water Main Replacement	5,000											Cash
73. Replace 100' Water Main Replacement	5,000											Cash
74. Replace 100' Water Main Replacement	5,000											Cash
75. Replace 100' Water Main Replacement	5,000											Cash
76. Replace 100' Water Main Replacement	5,000											Cash
77. Replace 100' Water Main Replacement	5,000											Cash
78. Replace 100' Water Main Replacement	5,000											Cash
79. Replace 100' Water Main Replacement	5,000											Cash
80. Replace 100' Water Main Replacement	5,000											Cash
81. Replace 100' Water Main Replacement	5,000											Cash
82. Replace 100' Water Main Replacement	5,000											Cash
83. Replace 100' Water Main Replacement	5,000											Cash
84. Replace 100' Water Main Replacement	5,000											Cash
85. Replace 100' Water Main Replacement	5,000											Cash
86. Replace 100' Water Main Replacement	5,000											Cash
87. Replace 100' Water Main Replacement	5,000											Cash
88. Replace 100' Water Main Replacement	5,000											Cash
89. Replace 100' Water Main Replacement	5,000											Cash
90. Replace 100' Water Main Replacement	5,000											Cash
91. Replace 100' Water Main Replacement	5,000											Cash
92. Replace 100' Water Main Replacement	5,000											Cash
93. Replace 100' Water Main Replacement	5,000											Cash
94. Replace 100' Water Main Replacement	5,000											Cash
95. Replace 100' Water Main Replacement	5,000											Cash
96. Replace 100' Water Main Replacement	5,000											Cash
97. Replace 100' Water Main Replacement	5,000											Cash
98. Replace 100' Water Main Replacement	5,000											Cash
99. Replace 100' Water Main Replacement	5,000											Cash
100. Replace 100' Water Main Replacement	5,000											Cash

Total CIP = \$25.5M

- \$7.6M ARPA, \$200K VDOT
- \$1.4M Cash
- \$16.2M Future Debt (FY27)

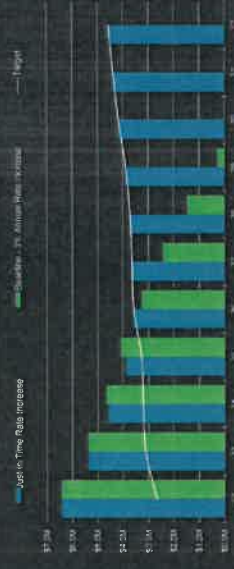
Assumed Debt Service Terms

- Maturity of 30 years
- 5% interest rate on future debt

Water: Just In Time Rate Increases - Include All Capital Projects

Baseline vs. Just In Time	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Expenses (millions)	\$3.80	\$3.40	\$3.31	\$3.86	\$1.69	\$3.86	\$4.14	\$4.36	\$4.54	\$5.05
Baseline Rate Increase	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Revenue (millions)	\$2.75	\$2.70	\$2.74	\$2.79	\$2.85	\$2.90	\$2.95	\$3.00	\$3.05	\$3.10
Monthly/Daily Water Bill	\$43,381.4	\$44,651.5	\$45,951.5	\$47,381.6	\$48,781.6	\$50,251.7	\$51,751.7	\$53,381.8	\$54,951.8	\$56,551.9
Just In Time Rate Increase	3.0%	0.0%	0.0%	33.6%	17.6%	0.0%	12.0%	9.0%	4.0%	12.0%
Revenue (millions)	\$2.75	\$2.69	\$2.61	\$3.31	\$3.76	\$3.83	\$4.31	\$4.62	\$4.76	\$5.24
Monthly/Daily Water Bill	\$43,381.4	\$43,351.4	\$43,351.4	\$57,651.9	\$67,452.2	\$71,452.4	\$80,82.7	\$87,282.9	\$90,783	\$101,653.4

Forecasted Water Fund Cash Balance



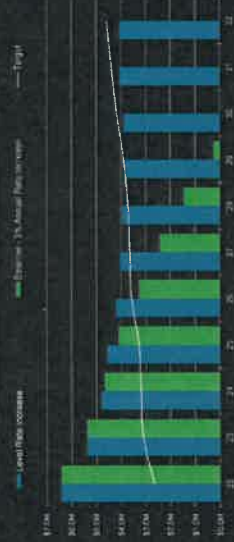
CIP

- FY22 - 23
 - ARPA = \$7.5M
 - VDOT = \$0.2M
- FY22 - 26 = \$1.4M Cash
- FY27 - 32 = \$16.2M Debt

Water: Level Rate Increases - Include All Capital Projects

Baseline vs. Level	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Expenses (millions)	\$3.80	\$3.40	\$3.31	\$3.82	\$3.69	\$3.86	\$4.14	\$4.36	\$4.54	\$5.05
Baseline Rate Increase	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Revenue (millions)	\$2.75	\$2.70	\$2.74	\$2.79	\$2.85	\$2.90	\$2.95	\$3.00	\$3.05	\$3.10
Monthly/Daily Water Bill	\$43,381.4	\$44,651.5	\$45,951.5	\$47,381.6	\$48,781.6	\$50,251.7	\$51,751.7	\$53,381.8	\$54,951.8	\$56,551.9
Level Rate Increase	3.0%	0.0%	0.0%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%
Revenue (millions)	\$2.74	\$2.69	\$2.61	\$3.04	\$3.51	\$3.78	\$4.06	\$4.37	\$4.70	\$5.06
Monthly/Daily Water Bill	\$43,351.4	\$43,451.6	\$51,851.7	\$56,551.9	\$62,242.1	\$68,182.3	\$74,652.6	\$81,742.7	\$89,563	\$99,653.3

Forecasted Water Fund Cash Balance



CIP

- FY22 - 23
 - ARPA = \$7.5M
 - VDOT = \$0.2M
- FY22 - 26 = \$1.4M Cash
- FY27 - 32 = \$16.2M Debt

Sewer: Current Revenues vs. Expenses (No Rate Funded CIP)

Revenues (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Current User Rates	\$3.22	\$3.19	\$3.17	\$3.14	\$3.11	\$3.09	\$3.06	\$3.04	\$3.01	\$2.99
Other Revenues	\$0.04	\$0.05	\$0.04	\$0.04	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
Availability Fees	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Total Revenues	\$3.31	\$3.28	\$3.25	\$3.22	\$3.19	\$3.17	\$3.14	\$3.11	\$3.08	\$3.06

Expenditures (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Operating and Maintenance	\$2.28	\$2.35	\$2.41	\$2.47	\$2.53	\$2.59	\$2.65	\$2.72	\$2.79	\$2.86
Minor Capital	\$0.08	\$0.28	\$0.08	\$0.08	\$0.08	\$0.08	\$0.09	\$0.09	\$0.09	\$0.09
Exceeding Debt Service	\$0.67	\$0.67	\$2.25	\$2.44	\$2.46	\$2.47	\$2.47	\$2.48	\$2.48	\$2.48
Total Expenditures	\$3.03	\$3.30	\$4.74	\$4.99	\$5.07	\$5.14	\$5.21	\$5.29	\$5.36	\$5.43

Revenues Less Expenditures (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Annual Surplus / (Shortfall)	\$0.06	(\$0.22)	(\$1.49)	(\$1.76)	(\$1.88)	(\$1.96)	(\$2.07)	(\$2.18)	(\$2.27)	(\$2.37)
Cumulative Surplus / (Shortfall)	\$2.06	(\$0.16)	(\$1.64)	(\$3.40)**	(\$5.28)	(\$7.24)**	(\$9.33)	(\$11.51)	(\$13.78)	(\$16.15)

* Sewer Cash Balance drops below / levels

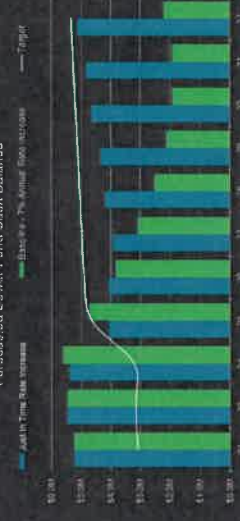
** Sewer Cash Balance is depleted

Future rate adjustments are required to align revenues with annual expenditures = achieve structural balance

Sewer: Just In Time Rate Increases – No Rate Funded Capital

Baseline vs. Just In Time Expenses (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Rate Increase	5.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Revenues (millions)	\$3.46	\$3.68	\$3.86	\$4.08	\$4.32	\$4.56	\$4.82	\$5.09	\$5.39	\$5.69
Monthly/Only Sewer DW	\$72,392.4	\$77,462.6	\$82,652.8	\$88,053	\$94,653.2	\$101,453.6	\$108,553.6	\$116,153.9	\$124,254.1	\$132,954.4
Just In Time Rate Increase	6.0%	0.0%	0.0%	0.0%	0.0%	11.0%	0.0%	6.0%	0.0%	5.0%
Revenues (millions)	\$3.46	\$3.43	\$3.40	\$3.40	\$4.04	\$5.41	\$5.37	\$5.68	\$5.54	\$5.75
Monthly/Only Sewer DW	\$72,392.4	\$72,392.4	\$72,392.4	\$72,392.4	\$109,263.6	\$191,264	\$191,264	\$127,364.2	\$127,364.2	\$133,764.5

Forecasted Sewer Fund Cash Balance



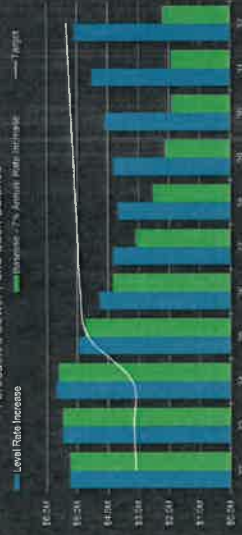
Debt Service Increase in FY25 of \$1.4M to a total payment of \$2.4M per year

CIP: FY22 ARPA Only
• ARPA = \$0.5M

Sewer: Level Rate Increases – No Rate Funded Capital

Baseline vs. Level	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Expense (millions)	\$3.24	\$3.50	\$4.74	\$4.89	\$5.07	\$5.14	\$5.21	\$5.26	\$5.36	\$5.43
Baseline Rate Increase	5.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Revenue (millions)	\$3.48	\$3.68	\$3.88	\$4.08	\$4.32	\$4.56	\$4.82	\$5.09	\$5.38	\$5.68
Monthly/Daily Sewer Bill	\$72.392.4	\$77.492.6	\$82.092.8	\$86.693.0	\$91.293.2	\$95.893.4	\$100.493.6	\$105.093.8	\$109.694.0	\$114.294.2
Level Rate Increase	5.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Revenue (millions)	\$3.48	\$3.72	\$4.00	\$4.30	\$4.63	\$4.98	\$5.36	\$5.77	\$6.20	\$6.64
Monthly/Daily Sewer Bill	\$72.392.4	\$78.657.6	\$85.962.8	\$93.643.1	\$102.33.4	\$112.283.7	\$123.524.2	\$137.364.7	\$154.154.5	\$174.454.7

Forecasted Sewer Fund Cash Balance



- Debt Service increase in FY25 of \$1.4M to a total payment of \$2.4M per year
- CIP: FY22 ARPA Only
 - ARPA = \$0.5M

Sewer Capital Improvements Plan

Description	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	Funding Source
East End Pump Station - Cash	248,440	51,500	-	-	-	-	-	-	-	-	-	Cash
East End Pump Station - Debt	-	-	-	-	-	-	-	-	-	-	-	Debt
West End Gravity Sewer	394,411	213,710	-	-	-	-	-	-	-	-	-	Cash
12th Street Sewer Line	10,514	-	-	-	-	-	-	-	-	-	-	Cash
Valley Industrial Park Pump Station Improvements	-	-	-	-	-	275,000	-	-	-	-	-	Debt
Storage Storage Facility	-	-	-	-	-	371,000	-	-	-	-	-	Debt
SCADA System Upgrades	500,000	-	-	-	-	-	-	-	-	-	-	ARPA
	\$ 1,293,365	\$ 265,210	\$ -	\$ -	\$ -	\$ 646,000	\$ 125,000	\$ 125,000	\$ 1,038,390	\$ -	\$ -	

- Total CIP = \$3.5M
- \$500K ARPA
 - \$1.0M Cash
 - \$2.0M Future Debt (FY27)
- Assumed Debt Service Terms
- Maturity of 30 years
 - 5% interest rate on future debt

Sewer Just In Time Rate Increases - Include All Capital Projects

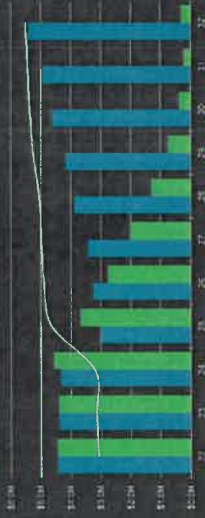
Baseline vs. Just In Time Expense (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Rate Increase	6.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Revenues (millions)	\$3.46	\$3.66	\$3.86	\$4.06	\$4.31	\$4.56	\$4.81	\$5.06	\$5.36	\$5.68
Monthly/Daily Sewer Bill	\$72,362.4	\$77,482.6	\$82,602.8	\$86,683	\$94,863.2	\$101,463.4	\$106,563.6	\$116,163.8	\$124,264.1	\$132,964.4
Just In Time Rate Increase	6.0%	0.0%	0.0%	0.0%	0.0%	11.0%	0.0%	5.0%	0.0%	5.0%
Revenues (millions)	\$3.46	\$3.49	\$3.40	\$5.26	\$5.22	\$5.72	\$5.68	\$5.90	\$5.65	\$6.08
Monthly/Daily Sewer Bill	\$72,362.4	\$72,362.4	\$72,362.4	\$115,763.9	\$115,763.9	\$128,464.3	\$128,464.3	\$134,664.5	\$134,664.5	\$141,564.7

Forecasted Sewer Fund Cash Balance

Level Rate Increase

Baseline - 7% Sewer Rate Increase

Target



- Debt Service Increase in FY25 of \$1.4M to a total payment of \$2.4M per year
- CIP: FY22 ARPA Only
 - ARPA = \$0.5M
 - FY22 - 26 = \$1.0M Cash
 - FY27 - 32 = \$2.0M Debt

Sewer Level Rate Increases - Include All Capital Projects

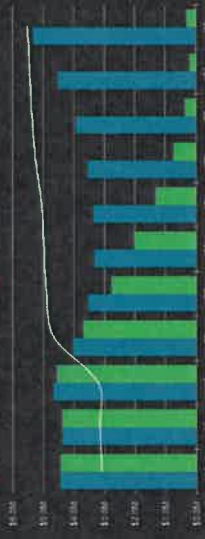
Baseline vs. Level Expenses (millions)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Rate Increase	6.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Revenues (millions)	\$3.46	\$3.66	\$3.86	\$4.06	\$4.31	\$4.56	\$4.81	\$5.06	\$5.36	\$5.68
Monthly/Daily Sewer Bill	\$72,362.4	\$77,482.6	\$82,602.8	\$86,683	\$94,863.2	\$101,463.4	\$106,563.6	\$116,163.8	\$124,264.1	\$132,964.4
Level Rate Increase	6.0%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
Revenues (millions)	\$3.46	\$3.77	\$4.10	\$4.47	\$4.87	\$5.31	\$5.57	\$5.83	\$6.11	\$6.41
Monthly/Daily Sewer Bill	\$72,362.4	\$79,942.7	\$88,362.9	\$97,663.3	\$107,663.6	\$119,164	\$126,264.2	\$133,964.5	\$141,864.7	\$150,965

Forecasted Sewer Fund Cash Balance

Level Rate Increase

Baseline - 7% Sewer Rate Increase

Target

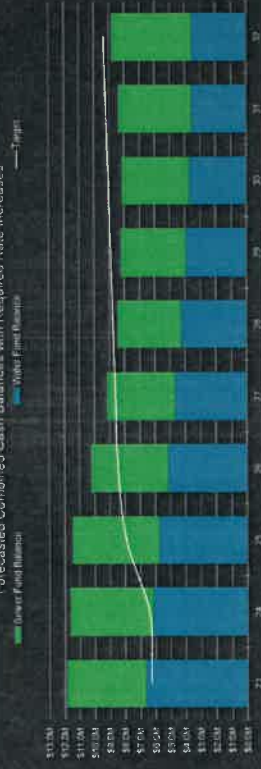


- Debt Service Increase in FY25 of \$1.4M to a total payment of \$2.4M per year
- CIP: FY22 ARPA Only
 - ARPA = \$0.5M
 - FY22 - 26 = \$1.0M Cash
 - FY27 - 32 = \$2.0M Debt

Combined Funds: Level Rate Increases – No Rate Funded Capital

Level Rate Increases	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Water Rate Increase	3.0%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
Water Revenue (millions)	\$2.75	\$2.77	\$2.80	\$3.04	\$3.18	\$3.35	\$3.51	\$3.68	\$3.86	\$4.05
Water Expenses (millions)	\$3.15	\$3.26	\$3.31	\$3.62	\$3.69	\$3.76	\$3.84	\$3.91	\$3.99	\$4.07
Monthly/Daily Water Bill	\$43,351.4	\$46,151.5	\$46,151.6	\$52,351.7	\$55,751.9	\$59,352	\$63,252.1	\$67,352.2	\$71,752.4	\$76,452.5
Sewer Rate Increase	5.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Sewer Revenue (millions)	\$3.49	\$3.72	\$4.00	\$4.30	\$4.63	\$4.98	\$5.36	\$5.77	\$6.21	\$6.67
Sewer Expenses (millions)	\$3.24	\$3.50	\$4.74	\$4.99	\$5.14	\$5.21	\$5.29	\$5.38	\$5.43	\$5.49
Monthly/Daily Sewer Bill	\$72,952.4	\$78,852.6	\$85,953.9	\$93,653.1	\$102,53.4	\$111,253.7	\$121,254	\$127,354.2	\$133,754.5	\$140,454.7

Forecasted Combined Cash Balances with Required Rate Increases



Mayor
Kwasi A. Fraser

Town Manager
David A. Mekarski

Council
Christopher Bertaut
Joel D. Grewe
Stanley J. Milan, Sr.
Erin Rayner
Tip Stinnette
Mary Jane Williams



221 S. Nursery Avenue
Purcellville, VA 20132
(540) 338-7421
(540) 338-6205
www.purcellvilleva.gov

**TOWN OF PURCELLVILLE
IN
LOUDOUN COUNTY, VIRGINIA**

RESOLUTION NO. 22-05-01

**PRESENTED: MAY 24, 2022
ADOPTED: MAY 24, 2022**

**A RESOLUTION: AS TO RECOGNIZE MAY 15, 2022 THROUGH
MAY 21, 2022 AS PURCELLVILLE POLICE WEEK**

WHEREAS, in 1962, President John F. Kennedy issued the first proclamation designating the week of May 15th as National Police week to remember and honor law enforcement officers for their service and sacrifices; and

WHEREAS, We salute the brave men and women of our law enforcement community for fulfilling their solemn oath to protect and serve; and

WHEREAS, We remember all those who have lost their lives defending their communities and the rule of law; and

WHEREAS, We honor law enforcement officials who never waver in the face of crisis or tragedy, who bravely confront challenges and continue to protect our communities from those who wish us harm, and ensure our safety by providing a sense of security for our citizens; and

WHEREAS, We specifically recognize the officers of the Purcellville Police Department for their dedicated work with not only the local community but also with federal, state and other law enforcement authorities who protect and serve our residents. The tireless and steadfast efforts of the Purcellville Police Department's law enforcement are recognized and deeply appreciated by the Purcellville Town Council; and

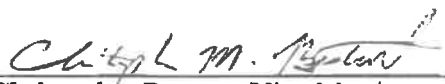
A RESOLUTION:

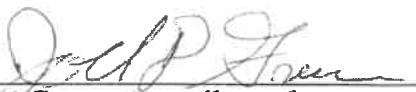
AS TO RECOGNIZE MAY 15, 2022 THROUGH MAY 21, 2022
AS PURCELLVILLE POLICE WEEK

NOW THEREFORE BE IT RESOLVED that Purcellville Town Council recognize the week of May 15th through May 21st as National Police Week in Purcellville, Virginia.

PASSED THIS 24TH DAY OF MAY, 2022.


Kwasi A. Fraser, Mayor
Town of Purcellville

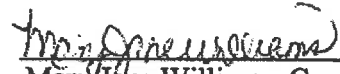

Christopher Bertaut, Vice Mayor
Town of Purcellville


Joel Grewe, Council member
Town of Purcellville


Stanley J. Milan, Sr., Council member
Town of Purcellville


Erin Rayner, Council member
Town of Purcellville


Tip Stinner, Council member
Town of Purcellville


Mary Jane Williams, Council member
Town of Purcellville

ATTEST:


Diana Hays, Town Clerk

