



Staff Report

Item #: A

Yountville Finance Authority Staff Report

DATE: January 16, 2024
TO: Yountville Finance Authority
FROM: Celia King, Finance Director

SUBJECT:
Annual Financial Report for the Yountville Finance Authority

DISCUSSION/BACKGROUND

This report is presented as an annual financial report for the Yountville Finance Authority (Finance Authority). The Finance Authority was formed in June 2008 as a joint exercise of powers agency organized under the laws of the State of California pursuant to an agreement between the Town of Yountville and the Parking Authority of the Town of Yountville. The Finance Authority was formed to assist in the financing of public capital improvements.

The Finance Authority is a legally separate organization with the Town Council serving as the governing body. For financial reporting purposes the Finance Authority is considered a component unit of the Town of Yountville and is accounted for as part of the Town's governmental funds and included in the Town's Annual Comprehensive Financial Report (ACFR).

The bond activity reported is for bonds that are accounted for as part of the Town's governmental funds, established to pay principal and interest.

2017 Lease Revenue Bonds (Fund 54)

In October 2017, the Finance Authority approved a refinancing of the previously issued 2008 Lease Revenue Bonds for the Yountville Town Center Project in the amount of \$8,500,000. This established the 2017 Lease Revenue Bonds (Fund 54) to account for bond issuance expenses, the reserves set aside for future debt service, and payments of principal and interest on the bonds. Debt service payments are funded through transfers from the Town's General Fund (Fund 01). The activity for Fund 54 as of June 30, 2023 is summarized as follows:

2017 Lease Revenue Bonds (Fund 54) Activity:

- Balance of Cash and Investments \$15,183
- Debt Service payment of \$543,019, comprised of \$300,000 principal and \$243,019 in interest
- Debt Service Fiscal Agent Fees \$1,650

2020 Lease Revenue Bonds (Fund 55)

In June 2020, the Finance Authority approved a refinancing of the previously issued 2013 Lease Revenue Bonds for the seismic improvements to Town Hall and reconstruction of Madison and Yount Streets in the amount of \$2,303,000. This established the 2020 Direct Placement Financing Debt Service Fund (Fund 55) to account for transactions related to payments and interest on the loan. Debt service payments are funded

through transfers from the Town's General Fund (Fund 01) along with a portion from the Wastewater Collection Capital Improvement Fund (Fund 64) for the sewer portion of the project. The activity for Fund 55 as of June 30, 2023 is summarized as follows:

2020 Lease Revenue Bonds (Fund 55) Activity:

- Balance of Cash and investments \$318,759
- Debt Service payment of \$351,805, comprised of \$324,058 principal and \$27,747 interest.

FISCAL IMPACT

Is there a Fiscal Impact? No

Is it Currently Budgeted? No

Where is it Budgeted? N/A

Is it Mandatory or Discretionary? Mandatory

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is this item identified in the Strategic Plan? Yes

If yes, identify Strategic Plan Goal and Objective. **Responsible Fiscal Policy:** The Town maintains its fiscal health through policies designed to maximize economic opportunities, manage expenses, and ensure prudent reserves.

Briefly Explain Relationship to Strategic Plan Goal and Objective. Meeting financial reporting requirements as outlined in the JPA demonstrates responsible fiscal policy and compliance to JPA stipulations.

RECOMMENDATION

Receive and File the Annual Financial Report for the Yountville Finance Authority