



City of Wilsonville Parks Utility Fee



March 7, 2024



Agenda

- **Background**
- **Analysis**
- **Comparisons**
- **Next Steps**



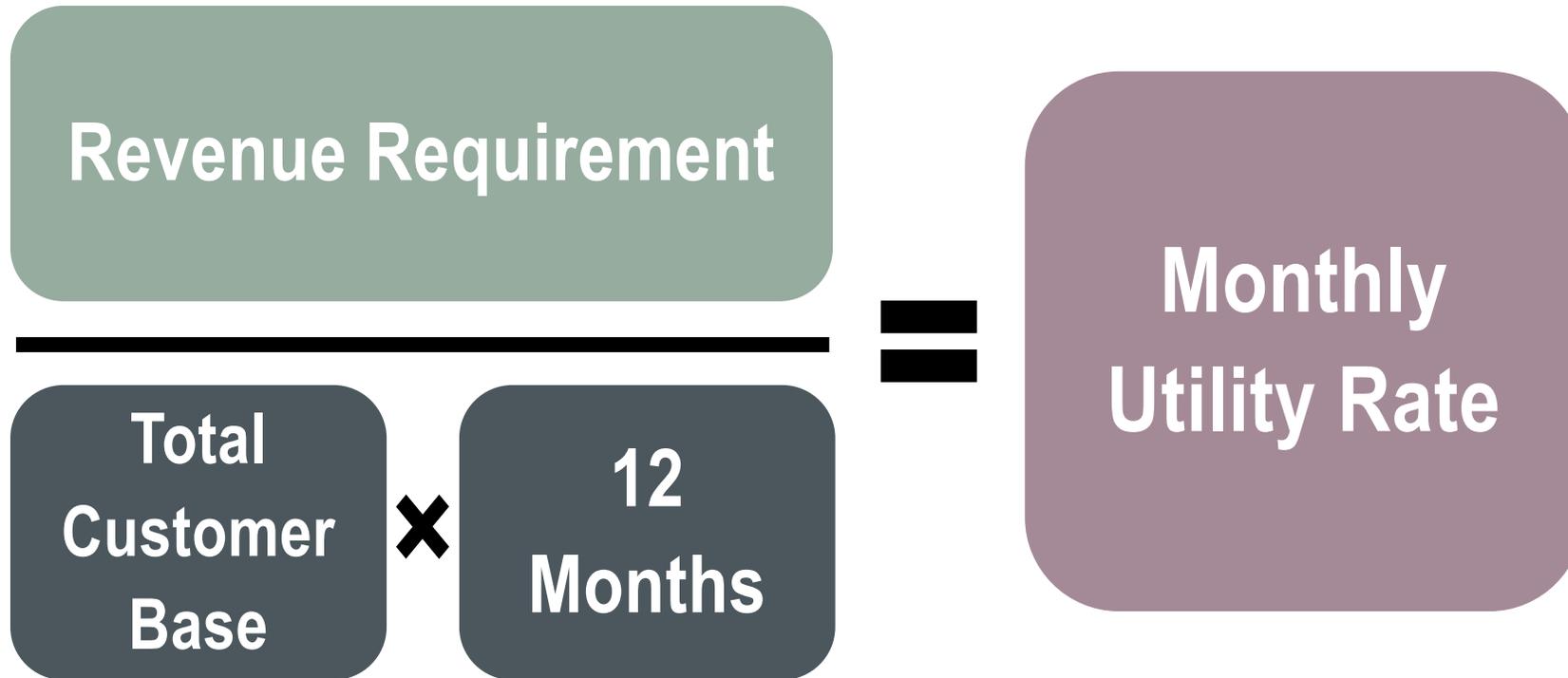
Background

| Funding Option | Complete | | Equitable Cost Recovery | Dedicated to Parks | Reliable |
|-------------------------------|------------|---------|-------------------------|--------------------|----------|
| | Operations | Capital | | | |
| General Fund | ● | ● | ○ | ○ | ○ |
| Special Assessments | ○ | ◐ | ● | ● | ◐ |
| Special Fees | ◐ | ○ | ● | ● | ○ |
| System Development Charges | ○ | ◐ | ● | ● | ○ |
| Conventional Debt | ○ | ● | ◐ | ● | ● |
| Special Grants & Loans | ○ | ◐ | ● | ● | ○ |
| Urban Renewal | ○ | ◐ | ◐ | ● | ◐ |
| Park and Recreation Districts | ● | ● | ◐ | ● | ● |
| Utility Rates | ● | ● | ● | ● | ● |



Utility Rate Calculation

- Rate calculation is a division problem





Revenue Requirement Scenarios

- Based on Fiscal Year 2023-24 budget

| Scenario | Revenue Requirement |
|---|---------------------|
| 1 Half of total O&M costs | \$ 776,129 |
| 2 Total O&M costs | \$ 1,786,258 |
| 3 Total O&M costs and rate-funded capital | \$ 2,786,258 |



Measuring Demand

- **Residential demand** – measured using utility billing data
 - » Single-family dwelling units
 - » Multi-family dwelling units
- **Non-residential demand** – measured using business license data
 - » Employees, but demand-adjusted as per the parks SDC

| | Residential Equivalents per Unit | Total Residential Equivalents |
|-----------------------------|--|-------------------------------------|
| Single-family dwelling unit | 2.71 | 16,627 |
| Multi-family dwelling unit | 1.82 | 10,056 |
| Employee | 0.05 | 819 |
| Total | | 27,503 |



Utility Rate Calculation

| | Scenario 1: Half O&M | Scenario 2: Full O&M | Scenario 3: Full O&M + Rate-funded Capital |
|---|----------------------|----------------------|--|
| Revenue Requirement | | | |
| Plus: O&M costs | \$ 1,010,129 | \$ 2,020,258 | \$ 2,020,258 |
| Plus: rate-funded capital | - | - | 1,000,000 |
| Less: other fee revenue | (234,000) | (234,000) | (234,000) |
| Total Annual Revenue Requirement | \$ 776,129 | \$ 1,786,258 | \$ 2,786,258 |
| Residential Equivalent (REs) | | | |
| Single-family | 16,627 | 16,627 | 16,627 |
| Multi-family | 10,056 | 10,056 | 10,056 |
| Non-residential | 819 | 819 | 819 |
| Total REs | 27,503 | 27,503 | 27,503 |
| Monthly Rate per RE | \$2.35 | \$5.41 | \$8.44 |
| Fee Schedule | REs: | | |
| Single-family | 2.71 | \$6.37 | \$14.66 |
| Multi-family | 1.82 | \$4.28 | \$9.85 |
| Non-residential (per Employee) | 0.05 | \$0.12 | \$0.29 |



Utility Rate Scenarios Summary





Comparisons

| | Single-family Monthly Rate | Non-Residential Charge? |
|---------------------------------|--|----------------------------|
| Wilsonville (Scenario 3) | \$22.87  | Yes |
| West Linn | \$21.23  | No |
| Wilsonville (Scenario 2) | \$14.66  | Yes |
| Tigard | \$8.63  | Yes |
| Wilsonville (Scenario 1) | \$6.37  | Yes |
| Medford | \$5.35  | Yes |
| Tualatin | \$5.00  | Yes |
| Gresham | \$0.75  | Yes |



Next Steps

- **Refine customer data**
 - » Clarify impact on rate scenarios
- **Define final scenarios**
 - » Selection of rate revenue target
 - » Clarify sources of non-rate revenue
- **Council consideration and adoption of park utility fee**

Thank you! Questions?

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About FCS Group



- Utility rate and fee consulting
- Utility management consulting
- Financial planning and analysis
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