

FY 2025-26 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Wet Weather Mitigation
Fund/Department ID: 43310-33081000

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$322,104	\$327,533	337,933
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	21,531	40,400	39,600
Expenditures - (Decrease) retained earnings	(11,959)	(42,000)	(42,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	9,572	(1,600)	(2,400)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	14	-	-
Depreciation	11,959	12,000	12,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	11,973	12,000	12,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$343,649	\$337,933	\$347,533
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$21,545	\$10,400	\$9,600
<u>Fund Balance Components at Beginning of FY</u>	7/1/2023	7/1/2024	
Cash	\$322,104	\$327,533	
Accounts Receivable-AR Module	-	-	
Total Beginning Fund Balance	\$322,104	\$327,533	

FY 2025-26 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: Sonoma Valley CSD - Wet Weather Mitigation
Fund/Department ID: 43310-33081000

Account No. and Title	Adopted 2024-25	Requested 2025-26	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$10,400	\$9,600	(\$800)	(7.69%)
Subtotal Use of Money	\$10,400	\$9,600	(\$800)	(7.69%)
<u>CHARGES FOR SERVICES</u>				
45306 Mitigation Fees-Residential	\$30,000	\$30,000	\$0	0.00%
Subtotal Charges for Services	\$30,000	\$30,000	\$0	0.00%
TOTAL REVENUES	\$40,400	\$39,600	(\$800)	(1.98%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51061 Maintenance - Equipment	\$30,000	\$30,000	\$0	0.00%
Subtotal Services and Supplies	\$30,000	\$30,000	\$0	0.00%
<u>OTHER CHARGES</u>				
53402 Depreciation Expense	\$12,000	\$12,000	\$0	0.00%
Subtotal Other Charges	\$12,000	\$12,000	\$0	0.00%
TOTAL EXPENDITURES	\$42,000	\$42,000	\$0	0.00%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$1,600	\$2,400	\$800	50.00%

FY 2025-26 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Revenue Bonds

Character Title: Use of Money Character No.: 43305-33080800-44

44002 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$6,000,000
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	\$180,000

Character Title: Other Financing Sources Character No.: 43305-33080800-47

47101 Transfers In-within a Fund

The revenues supporting this new revenue bond will be collected in the Operations Fund. This account will be used to reflect the transfer of cash from the Operations Fund to this Revenue Bond Fund to cover the annual principle and interest payment.

Character Title: Services and Supplies Character No.: 43305-33080800-51

51242 Bank Charges

This account records the annual administrative fees from the trustee for the revenue bonds issued.

Character Title: Other Charges Character No.: 43305-33080800-53

53103 Interest on LT Debt

This account reflects the interest expense on the 2005, 2013 and 2022 Revenue Bonds. These are serial bonds with interest rates ranging from 2.0% to 5.0%.

Character Title: Other Financing Uses Character No.: 43305-33080800-57

57011 Transfers out-within a Fund

There is no transfer planned for FY 25-26.

Character Title: Administrative Control Account Character No.: 43305-33080800-59

59004 Admin Control Acct

This account reflects the principal payment for revenue bonds issued in 2013/2022. Principal payments began August 2013 and will continue until maturity in August 2037.

2013 Revenue Bond	\$12,105,000
Total FY 13-14 through FY 22-23 Principal Payments	(6,145,000)
	\$5,960,000

2022 Revenue Bond	\$5,960,000
Total FY 22-23 through FY 24-25 Principal Payments	(2,245,000)
FY 25-26 Principal Payments	(515,000)
	\$3,200,000

59005 Admin Control Acct-Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2025-26 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - State Loan Reserve
Fund/Department ID: 43309-33080700

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$0
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	186,633	\$0	0
Expenditures - (Decrease) retained earnings	-	\$0	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	186,633	-	-
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	50	-	-
Change in Reserved Fund Balance	(1,279)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,229)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$185,404	\$0	\$0
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$185,404	\$0	\$0
<u>Fund Balance Components at Beginning of FY</u>	7/1/2023	7/1/2024	
Cash	\$167,151	\$169,968	
Reserved Fund Balance	(\$167,151)	(\$169,968)	
Total Beginning Fund Balance	\$0	\$0	

FY 2025-26 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE
Fund/Department ID: 43309-33080700

Account No. and Title	Adopted 2024-25	Requested 2025-26	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$0	\$0	\$0	N/A
<i>Subtotal Use of Money</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL REVENUES	\$0	\$0	\$0	N/A
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$0	\$0	\$0	N/A

Draft

**FY 2025-26 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - SRF Loan Reserve

Character Title: Use of Money **Character No.:** 43308-33080600-44

44002 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office.
Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$0
Projected Interest Rate	<u>3.00%</u>
Projected/Planned Interest on Pooled Cash	\$0

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FY 2025-26 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD- SRF Loan
Fund/Department ID: 43307-33080500

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$189,461	\$192,006	\$197,736
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	476,193	448,822	448,972
Expenditures - (Decrease) retained earnings	(41,808)	(38,514)	(29,212)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	434,386	410,308	419,760
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	-	-	-
Advances - Principal Expenditure	(395,365)	(404,578)	(413,761)
Capitalized Interest	-	-	-
Unrealized Gain/Loss	(87)	-	-
Increase in Matured Bonds Payable	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(395,452)	(404,578)	(413,761)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$228,395	\$197,736	\$203,735
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$38,934	\$5,730	\$5,999
<u>Fund Balance Components at Beginning of FY</u>	7/1/2023	7/1/2024	
Cash	\$612,621	\$618,283	
Interest Payable	(36,684)	(30,912)	
Due to Other Government	(386,476)	(395,365)	
Total Beginning Fund Balance	\$189,461	\$192,006	

FY 2025-26 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN
Fund/Department ID: 43307-33080500

Account No. and Title	Adopted 2024-25	Requested 2025-26	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$5,850	\$6,000	\$150	2.56%
Subtotal Use of Money	\$5,850	\$6,000	\$150	2.56%
<u>Other Financing Sources</u>				
47101 Transfers In-within a Fund	\$442,972	\$442,972	\$0	0.00%
Subtotal Other Financing Sources	\$442,972	\$442,972	\$0	0.00%
TOTAL REVENUES	\$448,822	\$448,972	\$150	0.03%
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$38,514	\$29,212	(\$9,302)	(24.15%)
Subtotal Other Charges	\$38,514	\$29,212	(\$9,302)	(24.15%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$404,458	\$413,761	\$9,303	2.30%
59005 Admin Control Acct-Clearing	(404,458)	(413,761)	(9,303)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$38,514	\$29,212	(\$9,302)	(24.15%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$410,308)	(\$419,760)	(\$9,452)	2.30%

**FY 2025-26 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Construction

Character Title: Use of Money Character No.: 43302-33080200-44

44002 Interest on Pooled Cash
This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$2,500,000
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	\$75,000

Character Title: Miscellaneous Revenue Character No.: 43302-33080200-46

46026 Connection Fees
This account reflects the anticipated new sewer connections to the District.

Character Title: Other Financing Sources Character No.: 43302-33080200-47

47101 Transfers In-within a Fund
This account reflects the transfer from the Operations Fund to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

4,300,000

Character Title: Fixed Assets Character No.: 43302-33080200-19

19832 CIP-Infrastructure
This account is used for expenses associated with facility improvements or expansion.
The following projects are planned for FY 24-25:

Planned Projects for FY 25-26:

Trunk Main Replacement Phase 5A	V0164/V0165	JG	\$69,400
Trunk Main Replacement Phase 5B	V0203		\$253,875
Influent/Effluent Pumping and Piping Upgrade	V0201	CD	630,625
Hooker Creek Trunk Main Seismic Mitigation	V0204/0205	KG	408,940
Management Unit Restoration	V0206		62,845
			\$1,425,685

**FY 2025-26 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Operations
Fund/Department ID: 43301-33080100

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$8,460,159	\$10,152,010	\$9,793,406
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	20,990,658	20,652,384	20,803,358
Expenditures - (Decrease) retained earnings	(22,369,886)	(24,608,706)	(26,515,182)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,379,228)	(3,956,322)	(5,711,824)
Adjustments to Reserves/Encumbrances:			
53402 Depreciation Expense	\$ 3,356,126	\$ 3,833,000	\$ 3,976,000
Technical Adjustments - 1st Quarter	\$ -		
Change in Encumbrances	429,822	-	-
Change in Prepaid Exp	2,996	-	-
Long-Term Receivable	(281,846)		
Unrealized Gain/loss	(202,393)		-
Accrual of Principal Payment-Advances from Other Govts	(272,205)	(279,282)	(265,308)
Change in Reserved Fund Balance	-	-	-
Post Audit Adjustment	10,510	-	-
Gain/loss on disposal of Capital Assets	-	-	-
Advance Principal Expenditure	-	-	-
Correction in asset account	-	-	-
Amortization	28,069	44,000	44,000
Advances-ISF Power Resources Fund	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	3,071,079	3,597,718	3,754,692
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$10,152,009	\$9,793,406	\$7,836,274
Target Fund Balance	\$6,784,154	\$8,548,184	\$7,842,170
Over/(Under) Target Fund Balance	\$3,367,855	\$1,245,222	(\$5,896)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$1,691,850	(\$358,604)	(\$1,957,132)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2023	7/1/2024	
Cash	\$ 9,692,456	\$ 10,577,016	
Other Receivables-Flat Charges	287,987	246,946	
Accounts Payable	(17,512)	(14,307)	
Due From Other Funds	10,585		
Retention Receivable	4,957	3,042	
Loans Payable-Current	(265,307)	(272,205)	
Allowance for Uncollectible Accounts			
Due from State AR			
Vouchers Payable	(172,116)	(139,821)	
Accounts Receivable-AR Module	634,295	1,027,710	
Prepaid Expense			
Due Federal			
Unearned Revenue			
Reserved Fund Balance			
Interest Payment	(63,522)	(58,490)	
Deposit From Others	(124,796)	(124,496)	
Contract Retention Payable			
Unbilled AR	(3,661)		
Encumbrances (Contract)	(1,523,207)	(1,093,385)	
Total Beginning Retained Earnings	\$ 8,460,159	\$ 10,152,010	

FY 2025-26 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Operations

Character Title: Services and Supplies (continued) Character No.: 43301-33080100-51 & 52

51921 Equipment Usage Charges

This account represents funds for Agency equipment usage.

52061 Fuel/Gas/Oil

This account includes the costs of gas, diesel and oil.

52072 Chemicals

This account records the cost of chemicals required for operation of the treatment plant in accordance with the Sonoma Valley CSD NPDES permit, as required by the Regional Quality Control Board.

52081 Medical/Laboratory Supplies

This account records the cost of lab supplies required for testing and monitoring wastewater.

52091 Memberships/Certifications

This account records membership dues/certificates.

52111 Office Supplies

This account records non-capitalized office expenses.

52117 Mail and Postage Supplies

This account covers the costs of the District's postage.

52141 Minor Equipment/Small Tools

This account provides funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.

52142 Computer Equipment/Accessories

This account provides funds for computer hardware as needed.

52143 Software/Licensing Fees

This account provides funds for various software packages.

52171 Water Conservation Program

This program is funded by revenue generated by the \$1,500 connection fee noted above under account 45316. This account records the cost of indoor water use efficiency programs including but not limited to indoor water use assessments/audits, fixture replacements, rebates, and the Green Business Program with the goal of inflow reduction.

52193 Utilities-Power

This account records the cost of utilities such as gas and electricity.

Character Title: Other Charges Character No.: 43301-33080100-53

53103 Interest on LT Debt

This account reflects interest expense on the outstanding loans from the State Revolving Fund: for the Trunk Main at

Watmaugh Collection System Replacement	24,195
Bio-Solids Upgrade Project	45,755

53402 Depreciation

Generally Accepted Accounting Principles require that depreciation be expensed each year.

53501 Contributions

This account records Emergency Inventory Procurement.

**FY 2025-26 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Operations

Character Title: Services and Supplies Character No.: 43301-33080100-51 & 52

51032 Janitorial Services

This account provides funds for custodial services.

51061 Maintenance - Equipment

This account records the costs for routine maintenance of equipment and planned non-routine projects.

FY 25-26 Planned Maintenance-Equipment:

Sewer Inspection Equipment	DC	50,000
		\$50,000

51201 Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax

51205 Advertising/Marketing

This account represents costs for advertising or marketing for the District.

51206 Accounting/Auditing Services

This account represents the cost of accounting and audit services provided by an outside certified public accounting service.

51211 Legal Services

This account covers the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

51231 Testing and Analysis

This account records expenses incurred to comply with all regulatory testing requirements.

51241 Outside Printing & Binding

This account covers the costs of outside printing services.

51244 Permits/License/Fees

This account records the cost of all permits.

51253 County Counsel - Litigation

This account covers the costs for potential litigation needs by County Counsel.

51401 Rents/Leases - Equipment

This account covers the costs of renting copiers, fax machines and other equipment as needed.

51509 SCADA

This account records SCADA allocations FY25-26.

SCADA		\$ 1,167,300
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51601 Training/Conference Expenses

This account covers the cost of training and conference expenses by Agency staff.

51602 Business Travel/Mileage

This account covers the cost of travel expenses to meetings and seminars by Agency staff.

FY 2025-26 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - OPERATIONS
Fund/Department ID: 43301-33080100

Account No. and Title	Adopted 2024-25	Requested 2025-26	Difference	Percent Change
<u>SERVICES AND SUPPLIES (continued)</u>				
51921 Equipment Usage Charges	449,000	488,000	39,000	8.69%
52021 Clothing	3,300	5,940	2,640	80.00%
52031 Food	510	320	(190)	(37.25%)
52061 Fuel/Gas/Oil	10,000	12,330	2,330	23.30%
52071 Materials and Supplies Expense	12,000	47,480	35,480	295.67%
52072 Chemicals	458,770	610,130	151,360	32.99%
52081 Medical/Laboratory Supplies	42,650	46,150	3,500	8.21%
52091 Memberships/Certifications	14,730	15,260	530	3.60%
52111 Office Supplies	7,850	7,640	(210)	(2.68%)
52117 Mail and Postage Supplies	500	500	0	0.00%
52141 Minor Equipment/Small Tools	50,880	52,890	2,010	3.95%
52142 Computer Equip/Accessories	600	1,200	600	100.00%
52143 Software/Licensing Fees	7,000	20,000	13,000	185.71%
52171 Water Conservation Program	30,000	30,000	0	0.00%
52193 Utilities-Power	1,008,086	1,052,191	44,105	4.38%
Subtotal Services and Supplies	\$15,442,803	\$15,684,340	\$225,640	1.46%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$77,028	\$69,950	(\$7,078)	(9.19%)
53402 Depreciation Expense	3,833,000	3,976,000	143,000	3.73%
53401 Amortization Expense	44,000	44,000	0	0.00%
53501 Contributions	0	57,000	57,000	N/A
Subtotal Other Charges	\$3,954,028	\$4,146,950	\$192,922	4.88%
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$3,080,072	\$5,949,447	\$2,869,375	93.16%
Subtotal Other Financing Uses	\$3,080,072	\$5,949,447	\$2,869,375	93.16%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$272,206	\$279,283	\$7,077	2.60%
59003 Advances Clearing	(272,206)	(279,283)	(7,077)	2.60%
Subtotal Admin Control Account	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$120,000	\$126,000	\$6,000	5.00%
19841 Work in Progress - Intang	21,900	608,445	586,545	2678.29%
Subtotal Fixed Assets	\$141,900	\$734,445	\$592,545	417.58%
TOTAL EXPENDITURES	\$22,618,803	\$26,515,182	\$3,880,482	17.16%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$1,966,419	\$5,711,824	\$3,479,508	176.95%

FY 2025-26 BUDGET
BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT
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E. Summary of Issues and Significant Changes (continued)

FY 25-26 annual service charges for residential customers with a water account at either City of Sonoma or Valley of the Moon Water District are charged a variable rate based on water usage. Annual Service charge rates are proposed to increase 6.0% for FY 25-26.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

Draft