

# FY 2025-26 BUDGET

## BUDGET SECTION SUMMARY

Section Title:

**SONOMA VALLEY COUNTY SANITATION DISTRICT**

### A. Program Description

This budget finances operation, maintenance, and administration of a collection system, pumping stations, a treatment plant, and disposal facilities which serve the Sonoma Valley County Sanitation District (Sonoma Valley CSD). The District includes the City of Sonoma, as well as the communities of Boyes Hot Springs, Agua Caliente, El Verano and Glen Ellen.

### B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 24-25 Adopted	FY 25-26 Requested	Percent Change	FY 24-25 Adopted	FY 25-26 Requested	Percent Change
Operations	\$22,618,803	\$26,515,182	17.23%	\$1,966,419	\$5,711,824	190.47%
Construction	11,658,796	1,425,685	(87.77%)	7,521,536	(5,164,045)	(168.66%)
Revenue Bonds	727,100	691,475	(4.90%)	(1,007,500)	(695,000)	(31.02%)
SRF Loan	38,514	29,212	(24.15%)	(410,308)	(419,760)	2.30%
Wet Weather Mitig	42,000	42,000	0.00%	1,600	2,400	50.00%
<b>TOTAL:</b>	<b>\$35,085,213</b>	<b>\$28,703,554</b>	<b>(18.19%)</b>	<b>\$8,071,747</b>	<b>(\$564,581)</b>	<b>(106.99%)</b>

### C. Staffing Summary

No staffing is allocated to this index.

### D. Workload Summary

Workload Indicator	FY 23-24 Actual	FY 24-25 Budget Estimate	FY 24-25 Revised Estimate	FY 25-26 Projected	Change from FY 24-25 Budget Estimate
TOTAL ESDs	17,824	17,854	17,948	17,927	0.41%
TOTAL APNs	10,566	10,567	10,578	10,578	0.10%

### E. Summary of Issues and Significant Changes

The Sonoma Valley County Sanitation District (District) provides sewage collection, treatment, and disposal service to the Sonoma Valley area. Wastewater is collected primarily by a gravity system and flows to the District's wastewater treatment plant for processing. Recycled water is used to irrigate local crops during the summer and is discharged to San Pablo Bay via Schell Slough during the winter. The District's treatment plant is permitted to treat an average daily dry weather flow of up to 3.0 million gallons per day to tertiary standards. Waste Discharge Requirements, Order No. R2-2008-0090 (NPDES Permit No. CA0037800), was issued on October 8, 2008 by the California Regional Water Quality Control Board, San Francisco Bay Region (SFBRWQCB) for Sonoma Valley CSD's treatment plant.

Most of Sonoma Valley CSD's collection system is several decades old and is in need of replacement. In 2015, the District received a Cease and Desist Order from the Regional Board that establishes a timeline for completing several collection improvement projects needed to reduce wet weather overflows. Compliance with this order will require significant investments in the collection system. The District will continue to increase rates over and above the rate of inflation to generate funds for replacing the collection system.

# **FY 2025-26 BUDGET**

## **BUDGET SECTION SUMMARY**

Section Title:

<b>SONOMA VALLEY COUNTY SANITATION DISTRICT</b>
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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

# 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
<b>REVENUES:</b>				
<u><b>TAXES</b></u>				
40003 Direct Charges-CY	\$19,052,216	\$19,390,879	\$338,663	1.78%
40202 Direct Charges - PY	150,000	150,000	0	0.00%
40999 Penalties/Costs on Taxes	40,000	40,000	0	0.00%
<b>Subtotal Taxes</b>	<b>\$19,242,216</b>	<b>\$19,580,879</b>	<b>\$338,663</b>	<b>1.76%</b>
<u><b>Inter Governmental Rev.</b></u>				
42601 SC Water Agency Revenue	\$250,000	\$0	(\$250,000)	(100.00%)
<b>Subtotal Inter Governmental Rev.</b>	<b>\$250,000</b>	<b>\$0</b>	<b>(\$250,000)</b>	<b>(100.00%)</b>
<u><b>USE OF MONEY</b></u>				
44002 Interest on Pooled Cash	\$195,000	\$255,000	\$60,000	30.77%
44101 Rent - Real Estate	13,086	13,479	393	3.00%
<b>Subtotal Use of Money</b>	<b>\$208,086</b>	<b>\$268,479</b>	<b>\$60,393</b>	<b>29.02%</b>
<u><b>CHARGES FOR SERVICES</b></u>				
45221 Sewer/Water Usage Fee	\$902,082	\$904,000	\$1,918	0.21%
45301 Charges for Services	0	0	0	N/A
45316 Water Conservation	50,000	50,000	0	0.00%
<b>Subtotal Charges for Services</b>	<b>\$952,082</b>	<b>\$954,000</b>	<b>\$1,918</b>	<b>0.20%</b>
<b>TOTAL REVENUES</b>	<b>\$20,652,384</b>	<b>\$20,803,358</b>	<b>\$400,974</b>	<b>1.94%</b>

### **EXPENDITURES:**

#### **SERVICES AND SUPPLIES**

51032 Janitorial Services	\$152,660	\$14,400	(\$138,260)	(90.57%)
51061 Maintenance - Equipment	1,013,240	50,000	(963,240)	(95.07%)
51201 Administration Costs	160,480	170,370	9,890	6.16%
51205 Advertising/Marketing	3,700	3,400	(300)	(8.11%)
51206 Accounting/Auditing Services	9,500	14,180	4,680	49.26%
51211 Legal Services	33,350	40,700	7,350	22.04%
51212 Outside Counsel - Legal Advice	0	4,450	4,450	N/A
51231 Testing/Analysis	96,570	92,430	(4,140)	(4.29%)
51241 Outside Printing & Binding	9,010	10,920	1,910	21.20%
51244 Permits/License/Fees	87,200	107,300	20,100	23.05%
51253 County Counsel - Litigation	13,200	9,400	(3,800)	(28.79%)
51401 Rents& Leases-Equipment	20,350	20,990	640	3.14%
51509 SCADA	1,151,403	1,167,300	15,897	1.38%
51601 Training/Conference Expenses	2,010	1,170	(840)	(41.79%)
51602 Business Travel/Mileage	200	200	0	0.00%
51605 Private Car Expense	1,000	1,000	0	0.00%
51803 Other Contract Services	1,288,960	1,485,540	196,580	15.25%
51902 Telecommunication Usage	6,000	6,000	0	0.00%
51916 County Services	43,040	36,040	(7,000)	(16.26%)
51917 District Operations Chgs	9,255,054	10,058,519	803,465	8.68%

# 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
<b><u>SERVICES AND SUPPLIES (continued)</u></b>				
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%
<b>Subtotal Services and Supplies</b>	<b>\$15,442,803</b>	<b>\$15,684,340</b>	<b>\$241,537</b>	<b>1.56%</b>
<b><u>OTHER CHARGES</u></b>				
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
<b>Subtotal Other Charges</b>	<b>\$3,954,028</b>	<b>\$4,146,950</b>	<b>\$192,922</b>	<b>4.88%</b>
<b><u>OTHER FINANCING USES</u></b>				
57011 Transfers out-within a Fund	\$3,080,072	\$5,949,447	\$2,869,375	93.16%
<b>Subtotal Other Financing Uses</b>	<b>\$3,080,072</b>	<b>\$5,949,447</b>	<b>\$2,869,375</b>	<b>93.16%</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
59002 Advances	\$272,206	\$279,283	\$7,077	2.60%
59003 Advances Clearing	(272,206)	(279,283)	(7,077)	2.60%
<b>Subtotal Admin Control Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>FIXED ASSETS</u></b>				
19820 Machinery & Equipment	\$120,000	\$126,000	\$6,000	5.00%
19841 Work in Progress - Intang	21,900	608,445	586,545	2678.29%
<b>Subtotal Fixed Assets</b>	<b>\$141,900</b>	<b>\$734,445</b>	<b>\$592,545</b>	<b>417.58%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$22,618,803</b>	<b>\$26,515,182</b>	<b>\$3,896,379</b>	<b>17.23%</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$1,966,419</b>	<b>\$5,711,824</b>	<b>\$3,495,405</b>	<b>177.75%</b>

# FY 2025-26 BUDGET

## CHARACTER JUSTIFICATION

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

**Character Title:** Taxes **Character No.:** 43301-33080100-40

### **40003 Direct Charges - CY**

Flat charge revenue from annual service charges is expected to increase from the adopted FY 25-26 budget. The rate will increase 6.0%, from \$1,348 to \$1,428.

ESDs times annual rate:	13,828 x \$1,428	\$19,746,384
Less Estimated Delinquency Factor:	0.8%	<u>(165,500)</u>
		\$19,580,879

(See Account 45221 for Total ESDs)

### **40202 Direct Charges - PY**

This account records the estimated delinquent amount of prior years sewer service charges.

### **40999 Penalties/Costs on Taxes**

This account records penalties paid on delinquent sewer service charges.

**Character Title:** Use of Money **Character No.:** 43301-33080100-44

### **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	\$8,500,000
Projected Interest Rate	<u>3.00%</u>
Projected Interest on Pooled Cash	\$255,000

### **44101 Rent-Real Estate**

This account represents the rental payment for the photovoltaic facility by the ISF Power Fund.

**Character Title:** Charges for Services **Character No.:** 43301-33080100-45

### **45221 Sewer/Water Usage Fees**

This account records annual sewer service charges for entities that are invoiced, rather than paying flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued.

ESDs x Annual Charge	633 x \$1,428	=	\$904,000
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### **45221 Sewer/Water Usage Fees (Industrial Users Monitoring/Discharge)**

This account also records revenue associated with the Industrial Users Monitoring Program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant. The budgeted amount is expected to offset monitoring expenses anticipated to be incurred primarily by the Agency's Environmental Compliance Inspector.

### **45221 Sewer/Water Usage Fees (Septic Disposal Fee)**

This account also records the revenue to the district for septic haulers using the treatment plant facilities to dispose of septic waste.

### **45301 Other Charges for Services**

This account records the revenue to the District for recycled water sales.

### **45316 Conservation Program**

This account records \$1,500 of each connection fee to support the Water Conservation Program per Ordinance 59 dated 8/8/2002.

**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:

Amount

Sewer Inspection Equipment

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

Amount

\$ 1,167,300

**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

## 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

### ***51803 Other Contract Services***

This account reflects the cost for various outside services which include:

<u>FY 25-26 Planned Contract Services:</u>	<u>Amount</u>
NBWRA	\$150,000
BACWA	35,000
Collection System Rehabilitation and Repairs	100,000
Collection System Inspection	70,000
Facility Drawings (CAD Updates)	118,000
Mosquito Abatement	60,000
Hazardous Materials Assistance	35,000
Rate Studies (Sewer + Recycled Water)	227,000
Regulatory Permitting Assistance	100,000
Root Control Services	25,000
Sanitation Planning	75,000
SERP Update	5,000
SMART Lids monitoring	5,000
Arc Flash Studies	116,840
Sanitation Code & Standards Update	216,000
TPW Pavement Preservation	60,000
Leete Generator Electrical As Needed	10,500
SVCSD Sewer TM Phase 4C - Habitat R&R	7,200
Multi-year Agreements (currently signed)	70,000
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	\$1,485,540

### ***51902 Telecommunication Usage***

This account records expenses paid by the District for outside communication and wireless services.

### ***51916 County Services***

This account records the expense of agenda services and special district accounting services.

### ***51917 District Operations Chgs***

This account records the cost of labor and overhead associated with operations and maintenance of the District's facilities, as well as staff costs associated with supporting the San Francisco Bay Integrated Regional Water Management Plan and Recycled Water Project.

<u>FY 25-26 Planned Staff Work:</u>	<u>Amount</u>
Re-coat Aeration, Chlorine Contact & Grit Basins	604,095
Roof Replacement Project	524,250
Sell R3 Effluent Reservoir	50,000
Sonoma Creek Bank Repair - Kohler Creek	492,195
NBWRA	40,000
BACWA	20,000
Hazardous Materials Assistance	5,000
Regulatory Permitting Assistance	15,000
Collection System Rehabilitation and Repairs	33,333
Collection System Inspection	210,000
Sanitation Planning	25,000
SERP Update	2,500
SMART Lids monitoring	5,000
Arc Flash Studies	13,100
Sanitation Code & Standards Update	54,000
TPW Pavement Preservation(recurring maint work)	15,000
As-needed permit & regulatory assistance (LW)	15,000
Miscellaneous	694,000
SVCSD Sewer TM Phase 4B - Wetland Mit.	6,000
SVCSD Sewer TM Phase 4C - Habitat R&R	2,000
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	\$2,825,473

**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:** Other Financing Uses **Character No.:** 43301-33080100-57

### ***57011 Transfers out-within a Fund***

This account reflects the transfer of cash from the Operations Fund to the Outfall Line Fund, the 1998 Revenue Bond Fund, SRF Loan and SRF Loan Reserve funds to cover principal and interest payments, as well as to the Construction Fund to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer to the Construction Fund will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Transfer to:

Revenue Bond Fund	\$1,206,475
Construction Fund	4,300,000
Debt Service-Tertiary Treatment	442,972
Total Operating Transfer	\$5,949,447

**Character Title:** Administrative Control Account **Character No.:** 43301-33080100-59

### ***59002 Advances***

This account reflects the principal payment for the State Revolving Loan of \$3,100,000 for the Bio-Solids Project. Term is 20 years at 2.6% interest. Repayment began FY 15-16 and final payment is scheduled for FY 34-35. The FY requests are based on amortization schedule.

Original Amount of the Loan:	\$3,100,000
Interest accrued to principal	36,024
Total FY 15-16 through FY 24-25 Principal Payment	(1,376,236)
FY 25-26 Principal Payment	(156,358)
	\$1,603,430

This account reflects the principal payment for the State Revolving Loan of \$2,320,304 for the Trunk Main at Watmaugh Project. Term is 20 years at 2.6% interest. Repayment began FY 12-13 and final payment is scheduled for FY 31-32. The FY 22-23 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 24-25 Principal Payment	(1,389,730)
FY 25-26 Principal Payment	(122,925)
	\$807,649

### ***59003 Advances - Clearing***

This is the clearing account for account 59002, Advances.

**Character Title:** Fixed Assets **Character No.:** 43301-33080100-19

### ***19840 Work in Progress - Equipment***

This account is used for the purchase of equipment that is a fixed or movable tangible asset used for operations. 126,000

### ***19841 Work in Progress - Intang***

This account captures costs for the development of intangible assets including the implementation and negotiation or acquisition of easements. FY 25-26 includes ROW of \$608,445 for Kohler Creek, Trunk Main and Sewer Dedication and Easement Agreements.

<u>FY 25-26 Planned Work:</u>	<u>Amount</u>
Trunk Main Project	524,160
Sewer Dedication and Easement Agreements.	20,000
Hooker Creek Trunk Main Hazard Mitigation	64,285
	608,445

**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
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$8,460,159</b>	<b>\$10,152,010</b>	<b>\$9,793,406</b>
<b>Annual Revenues and Expenditures:</b>			
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)
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	<b>(1,379,228)</b>	<b>(3,956,322)</b>	<b>(5,711,824)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
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	-	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	<b>3,071,079</b>	<b>3,597,718</b>	<b>3,754,692</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$10,152,009</b>	<b>\$9,793,406</b>	<b>\$7,836,274</b>
<b>Target Fund Balance</b>	<b>\$6,784,154</b>	<b>\$8,548,184</b>	<b>\$7,842,170</b>
<i>Over/(Under) Target Fund Balance</i>	<i>\$3,367,855</i>	<i>\$1,245,222</i>	<i>(\$5,896)</i>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$1,691,850</b>	<b>(\$358,604)</b>	<b>(\$1,957,132)</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b><u>7/1/2023</u></b>	<b><u>7/1/2024</u></b>	
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)	
<b>Total Beginning Retained Earnings</b>	<b>\$ 8,460,159</b>	<b>\$ 10,152,010</b>	

# FY 2025-26 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

**Fund:** SONOMA VALLEY CSD - CONSTRUCTION  
**Fund/Department ID:** 43302-33080200

Account No. and Title	Adopted 2024-25	Requested 2025-26	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 Interest on Pooled Cash	\$195,000	\$75,000	(\$120,000)	(61.54%)
<b>Subtotal Use of Money</b>	<b>\$195,000</b>	<b>\$75,000</b>	<b>(\$120,000)</b>	<b>(61.54%)</b>
<b><u>MISCELLANEOUS REVENUE</u></b>				
46021 Capital Grants-Federal	\$2,603,260	\$1,847,730	(\$755,530)	(29.02%)
46024 Connection Fees	339,000	367,000	28,000	8.26%
<b>Subtotal Miscellaneous Revenue</b>	<b>\$2,942,260</b>	<b>\$2,214,730</b>	<b>(\$727,530)</b>	<b>(24.73%)</b>
<b><u>OTHER FINANCING SOURCES</u></b>				
47101 Transfers In -within a Fund	\$1,000,000	\$4,300,000	\$3,300,000	330.00%
<b>Subtotal Other Financing Sources</b>	<b>\$1,000,000</b>	<b>\$4,300,000</b>	<b>\$3,300,000</b>	<b>330.00%</b>
<b>TOTAL REVENUES</b>	<b>\$4,137,260</b>	<b>\$6,589,730</b>	<b>\$2,452,470</b>	<b>59.28%</b>
<b>EXPENDITURES:</b>				
<b><u>FIXED ASSETS</u></b>				
19832 CIP - Infrastructure	\$11,658,796	\$1,425,685	(\$10,233,111)	(87.77%)
<b>Subtotal Fixed Assets</b>	<b>\$11,658,796</b>	<b>\$1,425,685</b>	<b>(\$10,233,111)</b>	<b>(87.77%)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$11,658,796</b>	<b>\$1,425,685</b>	<b>(\$10,233,111)</b>	<b>(87.77%)</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$7,521,536</b>	<b>(\$5,164,045)</b>	<b>(\$12,685,581)</b>	<b>(168.66%)</b>

# 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	<u>\$75,000</u>

**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:

<u>Planned Projects for FY 25-26:</u>	<u>Amount</u>
Trunk Main Replacement Phase 5A	\$69,400
Trunk Main Replacement Phase 5B	\$253,875
Influent/Effluent Pumping and Piping Upgrade	630,625
Hooker Creek Trunk Main Seismic Mitigation	408,940
Management Unit Restoration	<u>62,845</u>
	1,425,685

# FY 2025-26 BUDGET

## STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation  
**Fund:** Sonoma Valley CSD - Construction  
**Fund/Department ID:** 43302-33080200

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$15,759,319</b>	<b>\$7,266,330</b>	<b>(\$5,206)</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	12,519,624	4,387,260	6,589,730
Expenditures - (Decrease) retained earnings	(6,266,067)	(11,658,796)	(1,425,685)
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	6,253,557	(7,271,536)	5,164,045
<b>Adjustments to Reserves/Encumbrances:</b>			
Capitalized Interest	-	-	-
Unrealized Gains/Loss	(18,944)	-	-
Connection Fees applied to asset acquisition	(1,089,178)		
Post Audit Adjustment	(385,178)	-	-
Gain/Loss on Disposal Capital Assets	19,264	-	-
Rounding	(1)		
Change in Encumbrances	(13,272,510)	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	(14,746,546)	-	-
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$7,266,330</b>	<b>(\$5,206)</b>	<b>\$5,158,839</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$8,492,989)</b>	<b>(\$7,271,536)</b>	<b>\$5,164,045</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b><u>7/1/2023</u></b>	<b><u>7/1/2024</u></b>	
Cash	\$17,255,745	\$20,143,243	
Vouchers Payable	(124,261)	(503,450)	
Retention Payable	(302,489)	(41,056)	
Retention Receivable	25,632	64,809	
Due from Federal AR	111,961	2,367,750	
Other Receivables			
Accounts Payable	(494,874)	(780,061)	
Contract Retention Payable			
Encumbrances (Contract)	(712,395)	(13,984,905)	
<b>Total Beginning Retained Earnings</b>	<b>\$15,759,319</b>	<b>\$7,266,330</b>	

# 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
<b>REVENUES:</b>				
<u><b>USE OF MONEY</b></u>				
44002 Interest on Pooled Cash	\$5,850	\$6,000	\$150	2.56%
<b>Subtotal Use of Money</b>	<b>\$5,850</b>	<b>\$6,000</b>	<b>\$150</b>	<b>2.56%</b>
<u><b>Other Financing Sources</b></u>				
47101 Transfers In-within a Fund	\$442,972	\$442,972	\$0	0.00%
<b>Subtotal Other Financing Sources</b>	<b>\$442,972</b>	<b>\$442,972</b>	<b>\$0</b>	<b>0.00%</b>
<b>TOTAL REVENUES</b>	<b>\$448,822</b>	<b>\$448,972</b>	<b>\$150</b>	<b>0.03%</b>
<b>EXPENDITURES:</b>				
<u><b>OTHER CHARGES</b></u>				
53103 Interest on LT Debt	\$38,514	\$29,212	(\$9,302)	(24.15%)
<b>Subtotal Other Charges</b>	<b>\$38,514</b>	<b>\$29,212</b>	<b>(\$9,302)</b>	<b>(24.15%)</b>
<u><b>ADMINISTRATIVE CONTROL ACCOUNT</b></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%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$38,514</b>	<b>\$29,212</b>	<b>(\$9,302)</b>	<b>(24.15%)</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>(\$410,308)</b>	<b>(\$419,760)</b>	<b>(\$9,452)</b>	<b>2.30%</b>

# FY 2025-26 BUDGET

## CHARACTER JUSTIFICATION

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

**Character Title:** Use of Money **Character No.:** 43307-33080500-42

**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	\$200,000
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	<u>\$6,000</u>

**Character Title:** Other Financing Sources **Character No.:** 43307-33080500-47

**47101 Transfers In-within a Fund**

This account will be used to reflect the transfer of cash from the Operations Fund to this Loan Fund to cover the annual principal and interest payment.

**Character Title:** Other Charges **Character No.:** 43307-33080500-53

**53103 Interest on LT Debt**

This account reflects the interest expense for the State Revolving Loan for the Tertiary Treatment Plant Upgrades. The interest rate is 2.50%. Payment begin November 2007 and will continue annually until November 2027.

**Character Title:** Other Financing Uses **Character No.:** 43307-33080500-57

**57011 Transfers out-within a Fund**

No operating transfer will be budgeted in FY 25-26.

**Character Title:** Administrative Control **Character No.:** 43307-33080500-59

**59004 Admin Control Acct**

This account reflects the principal payment for the State Revolving Loan for the Tertiary Treatment Plant Upgrade Project. Term is 20 years at 2.3% interest. Replacement began FY 08-09 and final payment is scheduled for FY 27-28. FY 24-25 request is based on the amortization schedule.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$6,996,831
Interest during construction added to principal	10,671
Total FY 08-09 through FY 24-25 Principal Payments:	(5,728,565)
FY 25-26 Principal Payments:	(413,761)
Outstanding Loan Amount	<u>\$865,176</u>

**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- SRF Loan  
**Fund/Department ID:** 43307-33080500

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



**FY 2025-26 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Fund:** SONOMA VALLEY CSD - SRF LOAN RESERVE  
**Fund/Department ID:** 43308-33080600

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

**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	3.00%
Projected/Planned Interest on Pooled Cash	<u>\$0</u>

# FY 2025-26 BUDGET

## STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation  
**Fund:** Sonoma Valley CSD - SRF Loan Reserve  
**Fund/Department ID:** 43308-33080600

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	25,992	0	0
Expenditures - (Decrease) retained earnings	-	\$0	-
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	25,992	-	-
<b>Adjustments to Reserves/Encumbrances:</b>			
Unrealized Gain/loss	13,338	-	-
Change in Reserved Fund Balance	(2,215)	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	11,123	-	-
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$37,115</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$37,115</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b><u>7/1/2023</u></b>	<b><u>7/1/2024</u></b>	
Cash	\$388,831	\$395,384	
Reserved Fund Balance	(\$388,831)	(\$395,384)	
<b>Total Beginning Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	

**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
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**REVENUES:**

**USE OF MONEY**

44002 Interest on Pooled Cash	\$0	\$0	\$0	N/A
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<b>Subtotal Use of Money</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
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<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
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<b>TOTAL NET COST</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<i>(Expenditures Minus Revenues)</i>				

**FY 2025-26 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - State Loan Reserve

**Character Title:** Use of Money

**Character No.:** 43309-33080700-44

***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	3.00%
Projected/Planned Interest on Pooled Cash	<u>\$0</u>

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

# FY 2025-26 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

**Fund:** SONOMA VALLEY CSD - REVENUE BONDS

**Fund/Department ID:** 43305-33080800

Account No. and Title	Adopted 2024-25	Requested 2025-26	Difference	Percent Change
<b>REVENUES:</b>				
<u><b>USE OF MONEY</b></u>				
44002 Interest on Pooled Cash	\$97,500	\$180,000	\$82,500	84.62%
<b>Subtotal Use of Money</b>	<b>\$97,500</b>	<b>\$180,000</b>	<b>\$82,500</b>	<b>84.62%</b>
<u><b>OTHER FINANCING SOURCES</b></u>				
47101 Transfers In-within a Fund	\$1,637,100	\$1,206,475	(\$430,625)	(26.30%)
<b>Subtotal Other Financing Sources</b>	<b>\$1,637,100</b>	<b>\$1,206,475</b>	<b>(\$430,625)</b>	<b>(26.30%)</b>
<b>TOTAL REVENUES</b>	<b>\$1,734,600</b>	<b>\$1,386,475</b>	<b>(\$348,125)</b>	<b>(20.07%)</b>
<b>EXPENDITURES:</b>				
<u><b>SERVICES AND SUPPLIES</b></u>				
51242 Bank Charges	\$3,500	\$3,500	\$0	0.00%
<b>Subtotal Services and Supplies</b>	<b>\$3,500</b>	<b>\$3,500</b>	<b>\$0</b>	<b>0.00%</b>
<u><b>OTHER CHARGES</b></u>				
53103 Interest on LT Debt	\$723,600	\$687,975	(\$35,625)	(4.92%)
53104 Other Interest Expense	0	0	\$0	N/A
<b>Subtotal Other Charges</b>	<b>\$723,600</b>	<b>\$687,975</b>	<b>(\$35,625)</b>	<b>(4.92%)</b>
<u><b>OTHER FINANCING USES</b></u>				
57011 Transfers out-within a Fund	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<u><b>ADMINISTRATIVE CONTROL ACCOUNT</b></u>				
59004 Admin Control Acct	\$910,000	\$515,000	(\$395,000)	(43.41%)
59005 Admin Control Acct-Clearing	(\$910,000)	(515,000)	395,000	(43.41%)
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$727,100</b>	<b>\$691,475</b>	<b>(\$35,625)</b>	<b>(4.90%)</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>(\$1,007,500)</b>	<b>(\$695,000)</b>	<b>\$312,500</b>	<b>(31.02%)</b>

# 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  
**Section:** Sonoma Valley CSD - Revenue Bonds  
**Index No.:** 43305-33080800

DESCRIPTION OF FUND ACTIVITY	Actual FY 23-24	Estimated FY 24-25	Requested FY 25-26
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$1,469,456</b>	<b>\$6,691,620</b>	<b>\$6,789,120</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	2,953,869	1,734,600	1,386,475
Expenditures - (Decrease) retained earnings	(5,852,080)	(727,100)	(691,475)
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	(2,898,211)	1,007,500	695,000
<b>Adjustments to Reserves/Encumbrances:</b>			
Enterprise - Principal	(1,335,000)	(910,000)	(515,000)
Amortization of Gain on Refunding	(57,915)		
Issuance of New Debt	15,270,346		-
Unrealized Gain/Loss	510,561	-	-
Refunding of 2005 Bonds	(667,337)		
Loss on Refunding of Debt	-	-	-
Bond Premium	(81,733)	-	-
Change in Reserved Fund Balance	772,880	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	14,411,802	(910,000)	(515,000)
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$12,983,047</b>	<b>\$6,789,120</b>	<b>\$6,969,120</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$11,513,591</b>	<b>\$97,500</b>	<b>\$180,000</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b><u>7/1/2023</u></b>	<b><u>7/1/2024</u></b>	
Cash	\$ 2,935,805	\$ 8,365,084	
Cash with Trustee	772,885	328	
Cash with Trustee Res for Debt Service	(111,354)		
Matured Principal Payable	(1,355,000)	(1,335,000)	
Interest Payable	(772,880)	(338,792)	
<b>Total Beginning Fund Balance</b>	<b>\$ 1,469,456</b>	<b>\$ 6,691,620</b>	

# 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
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### REVENUES:

#### USE OF MONEY

44002 Interest on Pooled Cash	\$10,400	\$9,600	(\$800)	(7.69%)
<b>Subtotal Use of Money</b>	<b>\$10,400</b>	<b>\$9,600</b>	<b>(\$800)</b>	<b>(7.69%)</b>

#### CHARGES FOR SERVICES

45306 Mitigation Fees-Residential	\$30,000	\$30,000	\$0	0.00%
<b>Subtotal Charges for Services</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$0</b>	<b>0.00%</b>

<b>TOTAL REVENUES</b>	<b>\$40,400</b>	<b>\$39,600</b>	<b>(\$800)</b>	<b>(1.98%)</b>
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### EXPENDITURES:

#### SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$30,000	\$30,000	\$0	0.00%
<b>Subtotal Services and Supplies</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$0</b>	<b>0.00%</b>

#### OTHER CHARGES

53402 Depreciation Expense	\$12,000	\$12,000	\$0	0.00%
<b>Subtotal Other Charges</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$0</b>	<b>0.00%</b>

<b>TOTAL EXPENDITURES</b>	<b>\$42,000</b>	<b>\$42,000</b>	<b>\$0</b>	<b>0.00%</b>
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<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$1,600</b>	<b>\$2,400</b>	<b>\$800</b>	<b>50.00%</b>
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## FY 2025-26 BUDGET CHARACTER JUSTIFICATION

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sonoma Valley CSD - Wet Weather Mitigation

**Character Title:** Use of Money **Character No.:** 43310-33081000-44

***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	\$320,000
Projected Interest Rate	<u>3.00%</u>
Projected/Planned Interest on Pooled Cash	\$9,600

**Character Title:** Charges for Services **Character No.:** 43310-33081000-45

***45306 Mitigation Fees-Residential***

Mitigation fees received.

**Character Title:** Services & Supplies **Character No.:** 43310-33081000-51

***51061 Maintenance - Equipment***

Permitting conditions for public sewer construction will require MidPen Housing to construct a sewage storage holding tank that the District will own, operate and maintain. MidPen Housing will also provide a mitigation fee to the District to fund the District's operational and maintenance expense for the holding tank and support District implemented off-site measures to reduce the risk of overflows in the area.

Under the proposed agreement, MP Springs Family Associates, L.P. and MP Springs Senior Associates, L.P. will provide a total amount of \$300,000 for the mitigation fee for offsite improvements, and maintenance and operation of the holding tank.

The mitigation fees will be paid in two installments of \$180,000 for MP Family Associates, L.P. and \$120,000 for MP Senior Associates, L.P. prior to issuances of sewer permits for separate phases of the Project.

**Character Title:** Other Charges **Character No.:** 43310-33081000-53

***53402 Depreciation***

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

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