

FY 2026-27 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 25-26 Adopted	FY 26-27 Requested	Percent Change	FY 25-26 Adopted	FY 26-27 Requested	Percent Change
Operations	\$26,515,182	\$24,190,830	(8.77%)	\$5,711,824	\$1,135,301	(80.12%)
Construction	1,425,685	3,169,055	122.28%	(5,164,045)	(25,788,451)	399.38%
Revenue Bonds	691,475	665,975	(3.69%)	(695,000)	(558,767)	(19.60%)
SRF Loan	29,212	19,695	(32.58%)	(419,760)	(436,043)	3.88%
Wet Weather Mitig	42,000	42,000	0.00%	2,400	1,012	(57.85%)
TOTAL:	\$28,703,554	\$28,087,555	(2.15%)	(\$564,581)	(\$25,646,948)	4442.65%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 24-25 Actual	FY 25-26 Budget Estimate	FY 25-26 Revised Estimate	FY 26-27 Projected	Change from FY 25-26 Budget Estimate
TOTAL ESDs	17,946	17,927	17,890	17,902	(0.14%)
TOTAL APNs	10,583	10,581	10,583	10,588	0.07%

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 2026-27 BUDGET
BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

E. Summary of Issues and Significant Changes (continued)

FY 26-27 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 26-27.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

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

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FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	Difference	Percent Change
REVENUES:				
TAXES				
40003 Direct Charges-CY	\$19,390,879	\$20,357,250	\$966,371	4.98%
40202 Direct Charges - PY	150,000	150,000	0	0.00%
40999 Penalties/Costs on Taxes	40,000	40,000	0	0.00%
Subtotal Taxes	\$19,580,879	\$20,547,250	\$966,371	4.94%
Inter Governmental Rev.				
42601 SC Water Agency Revenue	\$0	\$0	\$0	N/A
42610 Other Governmental Agencies		\$95,000	\$95,000	N/A
Subtotal Inter Governmental Rev.	\$0	\$95,000	\$95,000	N/A
USE OF MONEY				
44002 Interest on Pooled Cash	\$255,000	\$330,277	\$75,277	29.52%
44101 Rent - Real Estate	13,479	13,802	323	2.40%
Subtotal Use of Money	\$268,479	\$344,079	\$75,600	28.16%
CHARGES FOR SERVICES				
45221 Sewer/Water Usage Fee	\$904,000	\$1,758,000	\$854,000	94.47%
45301 Charges for Services	0	240,000	240,000	N/A
45316 Water Conservation	50,000	51,200	1,200	2.40%
Subtotal Charges for Services	\$954,000	\$2,049,200	\$1,095,200	114.80%
MISCELLANEOUS REVENUE				
46040 Miscellaneous Revenue		20,000	20,000	N/A
Subtotal Miscellaneous Revenue	\$0	\$20,000	\$20,000	N/A
TOTAL REVENUES	\$20,803,358	\$23,055,529	\$2,157,171	10.37%

EXPENDITURES:

SERVICES AND SUPPLIES				
51032 Janitorial Services	\$14,400	\$14,400	\$0	0.00%
51061 Maintenance - Equipment	50,000	1,250,000	1,200,000	2400.00%
51201 Administration Costs	170,370	175,220	4,850	2.85%
51205 Advertising/Marketing	3,400	3,100	(300)	(8.82%)
51206 Accounting/Auditing Services	14,180	11,550	(2,630)	(18.55%)
51211 Legal Services	40,700	26,180	(14,520)	(35.68%)
51212 Outside Counsel - Legal Advice	4,450	1,480	(2,970)	(66.74%)
51231 Testing/Analysis	92,430	91,900	(530)	(0.57%)
51241 Outside Printing & Binding	10,920	13,990	3,070	28.11%
51244 Permits/License/Fees	107,300	107,800	500	0.47%
51253 County Counsel - Litigation	9,400	2,000	(7,400)	(78.72%)
51401 Rents & Leases-Equipment	20,990	20,140	(850)	(4.05%)
51402 Rents and Leases - Heavy Eq		2,120	2,120	N/A
51509 SCADA	1,167,300	1,030,617	(136,683)	(11.71%)
51601 Training/Conference Expenses	1,170	740	(430)	(36.75%)
51602 Business Travel/Mileage	200	200	0	0.00%
51605 Private Car Expense	1,000	1,000	0	0.00%
51803 Other Contract Services	1,485,540	2,075,100	589,560	39.69%
51902 Telecommunication Usage	6,000	6,500	500	8.33%
51916 County Services	36,040	35,300	(740)	(2.05%)
51917 District Operations Chgs	10,058,519	9,650,289	(408,230)	(4.06%)

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	Difference	Percent Change
<u>SERVICES AND SUPPLIES (continued)</u>				
51921 Equipment Usage Charges	488,000	512,000	24,000	4.92%
52021 Clothing	5,940	7,420	1,480	24.92%
52031 Food	320	320	0	0.00%
52061 Fuel/Gas/Oil	10,000	10,000	0	0.00%
52063 Vehicle Parts	2,330	2,330	0	0.00%
52071 Materials and Supplies Expense	47,480	68,680	21,200	44.65%
52072 Chemicals	610,130	607,590	(2,540)	(0.42%)
52081 Medical/Laboratory Supplies	46,150	45,790	(360)	(0.78%)
52091 Memberships/Certifications	15,260	15,480	220	1.44%
52111 Office Supplies	7,640	6,470	(1,170)	(15.31%)
52117 Mail and Postage Supplies	500	500	0	0.00%
52141 Minor Equipment/Small Tools	52,890	53,320	430	0.81%
52142 Computer Equip/Accessories	1,200	1,200	0	0.00%
52143 Software/Licensing Fees	20,000	20,000	0	0.00%
52171 Water Conservation Program	30,000	25,000	(5,000)	(16.67%)
52193 Utilities-Power	1,052,191	1,061,968	9,777	0.93%
Subtotal Services and Supplies	\$15,684,340	\$16,957,694	\$1,273,354	8.12%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$69,950	\$622,689	\$552,739	790.19%
53402 Depreciation Expense	3,976,000	4,449,000	473,000	11.90%
53401 Amortization Expense	44,000	44,000	0	0.00%
53501 Contributions	57,000	57,000	0	0.00%
53610 Other Charges		306,000		
Subtotal Other Charges	\$4,146,950	\$5,478,689	\$1,025,739	24.73%
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$5,949,447	\$1,653,947	(\$4,295,500)	(72.20%)
Subtotal Other Financing Uses	\$5,949,447	\$1,653,947	(\$4,295,500)	(72.20%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$279,283	\$617,594	\$338,311	121.14%
59003 Advances Clearing	(279,283)	(617,594)	(338,311)	121.14%
Subtotal Admin Control Account	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$126,000	\$78,000	(\$48,000)	(38.10%)
19841 Work in Progress - Intang	608,445	22,500	(585,945)	(96.30%)
Subtotal Fixed Assets	\$734,445	\$100,500	(\$633,945)	(86.32%)
TOTAL EXPENDITURES	\$26,515,182	\$24,190,830	(\$2,630,352)	(9.92%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$5,711,824	\$1,135,301	(\$4,787,523)	(83.82%)

**FY 2026-27 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 \$1,428 to \$1,514.

ESDs times annual rate:	13,980 x \$1,514	\$21,165,092
Less Estimated Delinquency Factor:	2.9%	<u>(617,842)</u>
		\$20,547,250

(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: Intergovernmental Character No.: 43301-33080100-42

42610 Sonoma County Water Agency Revenue

This account records a transfer from Water Agency General Fund to provide funds to operate the treatment plant.

These funds will not be recovered. \$ 95,000.00

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	\$11,009,245
Projected Interest Rate	<u>3.00%</u>
Projected Interest on Pooled Cash	\$330,277

44101 Rent-Real Estate

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

**FY 2026-27 BUDGET
CHARACTER JUSTIFICATION**

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

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 1,161 x \$1,514 = \$1,758,000

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. \$ 240,000.00

45316 Conservation Program

This account records \$1,500 of each connection fee to support the Water Conservation Program per the annual Sewer Ordinance. \$ 51,200.00

Character Title: Miscellaneous Revenue Character No.: 43301-33080100-46

46021 Capital Grants-Federal

No grants are anticipated to be received in FY 19-20.

46040 Miscellaneous Revenue

Sewer Collection Development Analysis V0002D028 \$ 20,000.00

46022 Capital Grants-State

No grants are anticipated to be received in FY 19-20.

Character Title: Intergovernmental Revenue Character No.: 43301-33080100-42

42358 State Other Funding

This accounts for an anticipated loan from the State.

Character Title: Administrative Control Account Character No.: 43301-33080100-49

49002 Advances

This account records the anticipated proceeds from a State Water Resources Control Board SRF loan to fund the SVCSD Trunk Main Replacement project.

49003 Advances - Clearing

This is the clearing account for account 49002.

**FY 2026-27 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.

<u>FY 26-27 Planned Maintenance-Equipment:</u>	<u>Project No.</u>	<u>Amount</u>
Aeration Basin Blower Rebuild/Replacement	V1003	150,000
Routine Maintenance - Mechanical Maintenance	V1003	600,000
Routine Maintenance - Electrical/Instrumentation	V1003	200,000
Routine Maintenance - Wastewater Operations	V1003	50,000
Routine Maintenance - SCADA	V1001	50,000
Sewer/Stream Crossing	TBD	50,000
Unplanned non-routine maintenance	TBD	150,000
		\$1,250,000

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 FY26-27.

	<u>Project No.</u>	<u>Amount</u>
SCADA	V1001W004	\$ 1,030,617

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 2026-27 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 26-27 Planned Contract Services:</u>	<u>Project No.</u>	<u>Amount</u>
NBWRA	V0130	\$150,000
BACWA	V0005C019	35,000
Biosolids Disposal Services	V0130	500,000
Collection System Rehabilitation and Repairs	V1002W007	100,000
Municipal Services	V1002W007	7,500
Bond Counsel	TBD	2,500
Mosquito Abatement	V1004W001	50,000
Hazardous Materials Assistance	V0010M018	35,000
Rate Studies (Sewer + Recycled Water)	TBD	60,000
Regulatory Permitting Assistance	V0019B012	50,000
Root Control Services	V1002W007	30,000
Sanitation Planning	V0005C019	50,000
TPW Pavement Preservation	V0005C019	65,000
SVCSO Sewer TM Phase 4C - Habitat R&R	V0211	31,600
Multi-year Agreements (currently signed)	Various	141,000
Waste Disposal Services	V1003	27,000
Vegetation Management Services	V1003	35,000
Electrical/Instrumentation Maintenance Services	V1003	75,000
Facilities Maintenance Services	V1003	5,000
Traffic Control Services	V1002	2,000
Sewer Inspection Data Management & Analysis	V1002	3,500
Sewer Inspection/Condition Assessment Services	V1002	70,000
Remote Manhole Monitoring Services	V1002	5,000
Manhole/Sewer Easement Survey	V1002	25,000
8th St East Recycled Water Project Study	V0219	250,000
Sewer Collection Development Analysis	V0002D028	20,000
Sonoma Oaks Laterals	V0213	250,000
		<u>\$2,075,100</u>

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 26-27 Planned Staff Work:</u>	<u>Project No.</u>	<u>Amount</u>
Re-coat Aeration, Chlorine Contact & Grit Basins	TBD	401,400
Routine O&M Labor	TBD	7,426,111
Sonoma Creek Bank Repair - Kohler Creek	V0116	428,704
Sonoma Oaks Laterals	V0213	30,000
8th St East Recycled Water Project Study	V0005C019	35,000
NBWRA	V0130	40,000
BACWA	V0005C019	20,000
Infrastructure Survey & GIS	TBD	70,000
Management Unit Restoration	V0206	10,000
Hazardous Materials Assistance	V0005C019	10,000
Rate Studies (Sewer + Recycled Water)	V0005A002	15,000
Sanitation Planning	V0005C019	25,000
Sewer Collection Development Analysis	V0002D028	10,000
TPW Pavement Preservation(recurring maint work)	V0005C019	15,000
As-needed permit & regulatory assistance (LW)	V0019B012	15,000
SVCSO Sewer TM Phase 4B - Wetland Mit.	V0192	6,000
SVCSO Sewer TM Phase 4C - Habitat R&R	V0211	2,000
SVCSO Sonoma Kohler Bank Repair Post Construc	TBD	10,000
		<u>\$8,569,215</u>

**FY 2026-27 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	20,999
Bio-Solids Upgrade Project	41,690

53402 Depreciation

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

53501 Contributions

This account records Emergency Inventory Procurement.

**FY 2026-27 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.

<u>Transfer to:</u>	
Revenue Bond Fund	\$1,210,975
Construction Fund	-
Debt Service-Tertiary Treatment	<u>442,972</u>
Total Operating Transfer	<u><u>\$1,653,947</u></u>

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 25-26 Principal Payment	(1,532,594)
FY 26-27 Principal Payment	<u>(160,423)</u>
	<u><u>\$1,443,007</u></u>

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 25-26 Principal Payment	(1,512,655)
FY 26-27 Principal Payment	<u>(126,121)</u>
	<u><u>\$681,528</u></u>

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. 78,000

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 26-27 includes ROW of \$608,445 for Kohler Creek, Trunk Main and Sewer Dedication and Easement Agreements.

<u>FY 26-27 Planned Work:</u>	<u>Project No.</u>	<u>Amount</u>
Sewer Dedication and Easement Agreements.	TBD	22,500
		<u>22,500</u>

FY 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$9,902,010	\$15,188,050	\$9,463,049
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	22,493,796	20,803,358	23,055,529
Expenditures - (Decrease) retained earnings	(20,361,334)	(30,261,815)	(24,190,830)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>2,132,462</u>	<u>(9,458,457)</u>	<u>(1,135,301)</u>
Adjustments to Reserves/Encumbrances:			
53402 Depreciation Expense	\$ 3,637,872	\$ 3,976,000	\$ 4,449,000
Technical Adjustments - 1st Quarter	\$ -		
Change in Encumbrances	98,538	-	-
Change in Prepaid Exp	776	-	-
Long-Term Receivable	(130,222)		
Unrealized Gain/loss	-		-
Accrual of Principal Payment-Advances from Other Govts	(279,282)	(286,544)	(265,308)
Change in Reserved Fund Balance	-	-	-
Post Audit Adjustment	(202,173)	-	-
Gain/loss on disposal of Capital Assets	-	-	-
Advance Principal Expenditure	-	-	-
Unearned Revenue Adjustment			
Correction in asset account			
Amortization	28,069	44,000	44,000
Advances-ISF Power Resources Fund	-	-	-
Rounding	-		
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>3,153,578</u>	<u>3,733,456</u>	<u>4,227,692</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$15,188,050	\$9,463,049	\$12,555,440
Target Fund Balance	\$6,672,370	\$9,929,423	\$8,478,847
<i>Over/(Under) Target Fund Balance</i>	<i>\$8,515,680</i>	<i>(\$466,374)</i>	<i>\$4,076,593</i>
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$5,286,040	(\$5,725,001)	\$3,092,391
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/2024</u>	<u>7/1/2025</u>	
Cash	\$ 10,577,016	\$ 15,665,195	
Other Receivables-Flat Charges	246,946	190,708	
Accounts Payable	(14,307)	(3,185)	
Due From Other Funds			
Retention Receivable	3,042	3,042	
Loans Payable-Current	(272,205)	(279,282)	
Vouchers Payable	(139,821)	(174,160)	
Accounts Receivable-AR Module	1,027,710	1,123,292	
Due To Other Governments		(36,638)	
Unearned Revenue	(250,000)	(250,000)	
Reserved Fund Balance			
Interest Payment	(58,490)	(53,176)	
Deposit From Others	(124,496)	(2,900)	
Contract Retention Payable			
Unbilled AR			
Encumbrances (Contract)	(1,093,385)	(994,847)	
Total Beginning Retained Earnings	<u>\$ 9,902,010</u>	<u>\$ 15,188,050</u>	

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$75,000	\$602,506	\$527,506	703.34%
Subtotal Use of Money	\$75,000	\$602,506	\$527,506	703.34%
<u>MISCELLANEOUS REVENUE</u>				
46021 Capital Grants-Federal	\$1,847,730	\$0	(\$1,847,730)	(100.00%)
46024 Connection Fees	367,000	355,000	(12,000)	(3.27%)
Subtotal Miscellaneous Revenue	\$2,214,730	\$355,000	(\$1,859,730)	(83.97%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$4,300,000	\$28,000,000	\$23,700,000	551.16%
Subtotal Other Financing Sources	\$4,300,000	\$28,000,000	\$23,700,000	551.16%
TOTAL REVENUES	\$6,589,730	\$28,957,506	\$22,367,776	339.43%
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$1,425,685	\$3,169,055	\$1,743,370	122.28%
Subtotal Fixed Assets	\$1,425,685	\$3,169,055	\$1,743,370	122.28%
TOTAL EXPENDITURES	\$1,425,685	\$3,169,055	\$1,743,370	122.28%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$5,164,045)	(\$25,788,451)	(\$20,624,406)	399.38%

FY 2026-27 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	\$20,083,535
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	\$602,506

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

46026 Connection Fees

This account reflects the anticipated new sewer connections to the District. \$ 355,000.00

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.

\$ 28,000,000.00

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>Project No.</u>	<u>Amount</u>
Effluent Recycled Water Line Replacement	TBD	\$730,000
5th street west and hayes street main repair	TBD	\$50,000
Trunk Main Replacement Phase 5B	V0203	\$1,049,700
Trunk Main Replacement Phase 5B ROW	V0209C012	\$664,930
Influent/Effluent Pumping and Piping Upgrade	V0201	624,975
Hooker Creek Trunk Main Seismic Mitigation ROW	V0205C012	49,450
		3,169,055

FY 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$7,016,330	\$6,450,845	\$7,189,310
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	6,717,277	6,589,730	28,957,506
Expenditures - (Decrease) retained earnings	(11,695,795)	(5,851,265)	(3,169,055)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(4,978,518)	738,465	25,788,451
Adjustments to Reserves/Encumbrances:			
Technical Adjustments - 1st Quarter			
Capitalized Interest		-	-
Unrealized Gains/Loss		-	-
Connection Fees applied to asset acquisition			
Post Audit Adjustment	485,988	-	-
Gain/Loss on Disposal Capital Assets		-	-
Rounding	1		
Change in Encumbrances	3,927,045	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	4,413,034	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$6,450,846	\$7,189,310	\$32,977,761
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$565,484)	\$738,465	\$25,788,451
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2024	7/1/2025	
Cash	\$20,143,243	\$17,861,447	
Vouchers Payable	(503,450)	(1,142,577)	
Retention Payable	(41,056)	(39,088)	
Retention Receivable	64,809	253,095	
Due from Federal AR	2,367,750	202,930	
Accounts Payable	(780,061)	(377,103)	
Unearned Revenue Adjustment	(250,000)	(250,000)	
Encumbrances (Contract)	(13,984,905)	(10,057,860)	
Total Beginning Retained Earnings	\$7,016,330	\$6,450,845	

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$6,000	\$12,766	\$6,766	112.76%
Subtotal Use of Money	\$6,000	\$12,766	\$6,766	112.76%
<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	\$448,972	\$455,738	\$6,766	1.51%
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$29,212	\$19,695	(\$9,517)	(32.58%)
Subtotal Other Charges	\$29,212	\$19,695	(\$9,517)	(32.58%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$413,761	\$423,277	\$9,516	2.30%
59005 Admin Control Acct-Clearing	(413,761)	(423,277)	(9,516)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$29,212	\$19,695	(\$9,517)	(32.58%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$419,760)	(\$436,043)	(\$16,283)	3.88%

FY 2026-27 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	\$425,518
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	\$12,766

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 26-27.

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 25-26 Principal Payments:	(6,142,326)
FY 26-27 Principal Payments:	(423,277)
Outstanding Loan Amount	\$441,899

59005 Admin Control Acct-Clearing

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

FY 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$200,819	\$211,015	\$207,498
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	456,324	448,972	455,738
Expenditures - (Decrease) retained earnings	(32,368)	(29,212)	(19,695)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	423,957	419,760	436,043
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	-	-	-
Advances - Principal Expenditure	(413,760)	(423,277)	
Capitalized Interest	-	-	-
Unrealized Gain/Loss	-	-	-
Increase in Matured Bonds Payable	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(413,760)	(423,277)	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$211,016	\$207,498	\$643,541
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$10,197	(\$3,517)	\$436,043
<u>Fund Balance Components at Beginning of FY</u>	7/1/2024	7/1/2025	
Cash	\$630,390	\$643,742	
Interest Payable	(25,113)	(18,967)	
Due to Other Government	(404,458)	(413,760)	
Total Beginning Fund Balance	\$200,819	\$211,015	

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	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>	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$0	\$0	\$0	N/A
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$0	\$0	\$0	N/A

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FY 2026-27 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 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
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	16,033	0	0
Expenditures - (Decrease) retained earnings	-	\$0	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	16,033	-	-
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss		-	-
Change in Reserved Fund Balance	(16,033)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(16,033)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	(\$0)	\$0	\$0
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$0)	\$0	\$0
<u>Fund Balance Components at Beginning of FY</u>			
Cash	\$407,906	\$423,939	
Reserved Fund Balance	(\$407,906)	(\$423,939)	
Total Beginning Fund Balance	\$0	\$0	

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	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>	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$0	\$0	\$0	N/A
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$0	\$0	\$0	N/A

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FY 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
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	13,789	\$0	0
Expenditures - (Decrease) retained earnings	-	\$0	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	13,789	-	-
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss		-	-
Change in Reserved Fund Balance	(13,789)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(13,789)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	(\$0)	\$0	\$0
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$0)	\$0	\$0
<u>Fund Balance Components at Beginning of FY</u>	7/1/2024	7/1/2025	
Cash	\$350,811	\$364,599	
Reserved Fund Balance	(\$350,811)	(\$364,599)	
Total Beginning Fund Balance	\$0	\$0	

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - REVENUE BONDS
Fund/Department ID: 43305-33080800

Account No. and Title	Adopted 2025-26	Requested 2026-27	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$180,000	\$13,767	(\$166,233)	(92.35%)
Subtotal Use of Money	\$180,000	\$13,767	(\$166,233)	(92.35%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In-within a Fund	\$1,206,475	\$1,210,975	\$4,500	0.37%
Subtotal Other Financing Sources	\$1,206,475	\$1,210,975	\$4,500	0.37%
TOTAL REVENUES	\$1,386,475	\$1,224,742	(\$161,733)	(11.67%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$3,500	\$4,500	\$1,000	28.57%
Subtotal Services and Supplies	\$3,500	\$4,500	\$1,000	28.57%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$687,975	\$661,475	(\$26,500)	(3.85%)
53104 Other Interest Expense	0	0	\$0	N/A
Subtotal Other Charges	\$687,975	\$661,475	(\$26,500)	(3.85%)
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$515,000	\$545,000	\$30,000	5.83%
59005 Admin Control Acct-Clearing	(\$515,000)	(\$545,000)	(\$30,000)	5.83%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$691,475	\$665,975	(\$25,500)	(3.69%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$695,000)	(\$558,767)	\$136,233	(19.60%)

FY 2026-27 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	\$458,892
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	\$13,767

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 26-27.

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 25-26 Principal Payments	(2,760,000)
FY 26-27 Principal Payments	(545,000)
	\$2,655,000

59005 Admin Control Acct-Clearing

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

FY 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$2,131,545	\$29,510	\$179,510
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,721,521	1,386,475	1,224,742
Expenditures - (Decrease) retained earnings	(3,168,908)	(691,475)	(665,975)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,447,387)	695,000	558,767
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	(515,000)	(545,000)	
Amortization of Gain on Refunding	(57,915)		
Issuance of New Debt			-
Unrealized Gain/Loss		-	-
Refunding of 2005 Bonds			
Loss on Refunding of Debt	-	-	-
Bond Premium	(81,733)	-	-
Change in Reserved Fund Balance		-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(654,648)	(545,000)	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$29,510	\$179,510	\$738,277
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$2,102,035)	\$150,000	\$558,767
<u>Fund Balance Components at Beginning of FY</u>	7/1/2024	7/1/2025	
Cash	\$ 3,349,871	\$ 836,519	
Cash with Trustee	2,653	12	
Bonds Interest Payable	(310,979)	(292,021)	
Bonds Payable-Current	(910,000)	(515,000)	
Interest Payable			
Total Beginning Fund Balance	\$ 2,131,545	\$ 29,510	

FY 2026-27 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2025-26	Requested 2026-27	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$9,600	\$10,988	\$1,388	14.46%
Subtotal Use of Money	\$9,600	\$10,988	\$1,388	14.46%
<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	\$39,600	\$40,988	\$1,388	3.51%
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>	\$2,400	\$1,012	(\$1,388)	(57.85%)

FY 2026-27 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	\$366,281
Projected Interest Rate	3.00%
Projected/Planned Interest on Pooled Cash	\$10,988

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 2026-27 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 24-25	Estimated FY 25-26	Requested FY 26-27
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$337,905	\$351,187	360,787
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	13,282	39,600	40,988
Expenditures - (Decrease) retained earnings	(11,959)	(42,000)	(42,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,322	(2,400)	(1,012)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss		-	-
Depreciation	11,959	12,000	12,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	11,959	12,000	12,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$351,186	\$360,787	\$371,775
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$13,281	\$9,600	\$10,988
<u>Fund Balance Components at Beginning of FY</u>	7/1/2024	7/1/2025	
Cash	\$337,905	\$351,187	
Accounts Receivable-AR Module	-	-	
Total Beginning Fund Balance	\$337,905	\$351,187	