



CITY OF SONOMA & SUCCESSOR AGENCY

FISCAL YEAR 2024-25

OPERATING AND CAPITAL BUDGET



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ACKNOWLEDGEMENTS



Pictured from the left; Council Member Patricia Farrar-Rivas, Vice Mayor John Gurney, Mayor Sandra Lowe, Council Member Ron Wellander and Council Member Jack Ding

SONOMA CITY COUNCIL

John Gurney, Mayor
Patricia Farrar-Rivas, Vice Mayor
Sandra Lowe, Council Member
Jack Ding, Council Member
Ron Wellander, Council Member

This Fiscal Year 2024-25 City of Sonoma budget is prepared and submitted to the City Council by City staff on behalf of the Sonoma community. The preparation of a City budget is the product of a team. Much appreciation to the following staff for their talents, dedication, and work to prepare this document and to deliver the services and initiatives contained here.

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TABLE OF CONTENTS

	Page #
TABLE OF CONTENTS	
CITY MANAGER MESSAGE	1
FINANCIAL SUMMARY	15
Financial Summary	17
Budget Calendar for 2024-25	20
Revenue – Financial Summary	21
Expenses (Appropriations) Summary	23
Reserve Summary	35
Transfers Between Funds	47
City Organization Chart (by function)	49
Summary of Staffing and Positions	50
Sonoma at a Glance	52
Sonoma Maps	53
GENERAL FUND	55
GENERAL FUND REVENUE AND EXPENSE OVERVIEW	57
General Fund Revenues	59
General Fund Revenue and Expense by Category	68
General Fund Forecast Summary	69
BUDGET DETAIL CENTRAL ADMINISTRATION	71
Central Administration Organizational Chart	72
City Council	73
City Clerk	77
City Manager	81
Legal Services	85
BUDGET DETAIL FINANCE	91
Organizational Chart	92
Finance	93
BUDGET DETAIL PUBLIC SAFETY	97
Police Department	99
Fire Department	105
BUDGET DETAIL PUBLIC WORKS	113
Organizational Chart	114
Administration & Stormwater	115
Streets Maintenance	119

TABLE OF CONTENTS

Parks Maintenance	123
BUDGET DETAIL COMMUNITY DEVELOPMENT	127
Organizational Chart	128
Planning and Community Services	129
Building and Development Services	133
BUDGET DETAIL MISCELLANEOUS	137
Community Activities	139
Successor Agency Administration	147
Non-Departmental/Facility Maintenance	149
Transfers – General Fund to Other Funds	151
ENTERPRISE FUNDS	153
Water Utility - Operating	155
Cemetery - Operating	159
Cemetery – Endowment	163
INTERNAL SERVICE FUNDS	165
Internal Service Funds Narrative	167
Management Information Services	169
Vehicle Replacement	173
Long-Term Building Maintenance	175
SPECIAL REVENUE FUNDS	177
Public Education and Government (PEG)	179
Citizen’s Option for Public Safety (COPS) Grant	181
Gas Tax Funding	183
Road Maintenance and Rehabilitation Act (RMRA: SB 1)	185
Traffic Relief Act for Sonoma County (Measure M)	187
Parks in Lieu- Quimby Act Fees	189
Sonoma County Parks Improvement, Water Quality and Fire Safety (Measure M)	191
California Parks, Environment, and Water Bond (Proposition 68)	193
Grants Restricted	195
Swimming Pool Scholarship	197
Housing Trust Fund	199
Rate Range Intergovernmental Transfer (IGT-EMS)	201
SUCCESSOR AGENCY FUNDS	203
Successor Agency RPTTF-ROPS	205
DEBT SERVICE FUNDS	207
2008 Clean Renewable Energy Bonds (CREBS) and 2012 Refunding Water Bond	209

TABLE OF CONTENTS

CAPITAL IMPROVEMENT PROGRAM (CIP) DEPARTMENTS AND FUNDS	211
Streets Capital Improvement Fund	213
Parks and Facilities Capital Improvement Fund	215
Water Capital Improvement Fund	217
CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS	219
City of Sonoma 2024-25 Capital Improvement Program	221
Projected Funding by Project for Fiscal Years 2024-2029	223
Capital Improvement Program Funding Sources	224
Buildings & Facilities Capital Improvement Program	225
Creeks & Drainage Capital Improvement Program	229
Parks Capital Improvement Program	233
Transportation Capital Improvement Program	241
Water Capital Improvement Program	249
APPENDICES	253
Glossary of Financial and Budget Terms	255
Appropriations (GANN) Limit	263
Fiscal Year 2024-25 Budget Resolutions	273
Operating Budget Resolution	275
Capital Improvement Program Resolution	277
Contract Authorization Resolution	279
Operating Budget Carryforward	282
Community Service and Recreation Discretionary Funding Program	284

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CITY MANAGER MESSAGE



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CITY MANAGER MESSAGE

Fiscal Year 2024-25 OPERATING & CAPITAL BUDGET

June 19, 2024

To Mayor Gurney and Members of the City Council:

On behalf of the City staff, I am pleased to present to you the FY 2024-25 Operating and Capital Budget for the City of Sonoma. The City's Operating and Capital Budget is a policy document which sets the financial course for the City of Sonoma and defines the service priorities provided to the community. The budget document provides a comprehensive overview of City proposed services and projects for the fiscal year that begins July 1, 2024. The budget identifies the City's organizational structure and staffing, includes program descriptions and recent accomplishments, provides an overview of the City's financial condition, and summarizes budget priorities and issues. In addition, the budget was developed to ensure funding was identified to support the City Council Goals:

Housing

The Council unanimously commits to addressing housing needs across all levels. From affordable housing to market-rate residences, diverse options are envisioned. Potential strategies include emphasizing efficiency in Housing Element implementation, streamlining processes, simplifying procedures, and exploring fair fee structures. Financial viability for housing projects is a priority, urging exploration of various funding options. Collaborating with partners, both public and private, is key to leveraging resources and expertise for innovative solutions. Additionally, the Council acknowledges the need for compassionate strategies to support and house unhoused community members.

Annexation/Unification

The City Council discussed the initial steps in exploring annexation feasibility, options and opportunities for areas adjacent to the City of Sonoma. This would begin with a community engagement process would gather input from those who live in the City of Sonoma and the Sonoma Valley to determine what needs are not being met or should be enhanced and what options, including the potential of annexation, Joint Powers Agreements, or other approach would be appropriate to address those needs. The Council emphasized that the process should be transparent and prioritize an inclusive public engagement process to ensure residents are active participants in decision-making.

Economic Development/Revenue Stewardship

Asserting a dedication to economic vitality, the Council intends on creating a business-friendly environment, vital for economic development. Attracting, retaining, and diversifying businesses aligns with economic goals. Identifying and implementing revenue-enhancing strategies ensures financial stability for essential services. Exploring diverse financial resources, including grants and

bonds, supports potential economic development initiatives. The Council also supports nurturing small businesses through targeted support programs, fostering entrepreneurship and community resilience.

Climate Mitigation and Adaptation

The Council aspires to position the City of Sonoma as a leader in climate action, responding proactively to the challenges of a changing climate. By implementing recently adopted climate action strategies, the city aims to reduce its environmental impact and inspire neighboring communities. Key initiatives include improving public transit to promote sustainable transportation and expanding and protecting the city's tree canopy to enhance climate resilience. These measures, alongside potential additional strategies, signify the City of Sonoma's commitment to setting a trend in effective climate mitigation and adaptation. Through community engagement and collaboration, the city strives to demonstrate the positive influence local efforts can have on the global fight against climate change.

Parks and Recreation/Community Services

The City is interested in creating a Parks and Recreation Department to provide enhanced recreational sites and services for residents of all ages. Exploring a potential tax revenue measure to ensure a robust staffing and organizational structure for efficient service delivery is essential. Collaborating with community partners, supporting and promoting the arts, and preserving and enhancing the cemetery as a sacred space and vital community history element, as well as encouraging community engagement through volunteer opportunities, are also priorities within this goal. In addition, the City intends to create a comprehensive plan for the Plaza Park, including a master plan and landscape management/sustainability plan, to ensure it remains a vibrant and well-maintained community hub. Additionally, the Council wishes to explore conservation easements in commitment to protect and preserve natural resources.

Overview

The budget for the City of Sonoma and the Sonoma Successor Agency for FY 2024-25 includes a combined Operating and Capital Improvement Program (CIP) Budget of \$47.2 million. This budget represents a spending plan that balances the need to be responsive in providing services to residents, businesses, and visitors within the limits of available resources.

Rising consumer debt and elevated interest rates will continue to weigh on economic growth over the next fiscal year. Gains in real disposable personal income growth are softening, pandemic savings are dwindling, and household debt is increasing. While economists do not forecast a recession in 2024, they do expect consumer spending growth to cool and for overall GDP growth to slow to under 1 percent over Q2 and Q3 2024. Thereafter, inflation and interest rates should gradually normalize, and quarterly annualized GDP growth should converge toward its potential of near 2 percent in 2025. Political volatility surrounding fiscal policy, debt, and outlays could impact government spending over the next few years.

California entered 2024 with strong economic fundamentals: low unemployment, rising wages, and falling inflation. At this time last year, many predicted a recession, but California—along with the rest of the nation—remained economically resilient. Even so, Californians are feeling pessimistic about the state's economic future and unsettled about their personal finances. However, most Californians are falling behind. Since February 2020, wages have increased 15 percent on average, but prices have increased 19

percent. Anticipating a budget shortfall in FY 2024-25 and FY 2025-26, Governor Newsom's May budget revision balanced the state budget by cutting one-time spending by \$19.1 billion and ongoing spending by \$13.7 billion through FY 2025-26. This includes an 8 percent cut to state operations and a targeted elimination of 10,000 unfilled state positions, without raising taxes on individuals or proposing state worker furloughs.

As will be discussed later, lower anticipated revenues coupled with higher public safety and pension liability costs will result in a budget shortfall of \$2.9 million for FY 2024-25. Despite the financial headwinds anticipated in FY 2024-25, the City has bolstered its General Fund reserve balance over the past years, allowing us to develop thoughtful solutions to a temporary downturn, rather than engaging in reactionary measures that may result in long-term organizational harm. The General Fund reserve has grown to approximately \$13.3 million over the past years, more than adequate to weather a modest downturn or even a more serious recession.

The City projects ongoing deficits over the next five years as the rate of expected expenditure changes exceeds anticipated revenue. To avoid the elimination or reduction of key programs, positions and services to deliver a balanced budget, the City will need to actively pursue various fiscal sustainability strategies, including revenue enhancement. Additional revenue will maintain City services and preserve the health, safety and general welfare of its residents, workers and visitors. Staff will work with the Council over the coming months to evaluate a ½ cent sales tax measure for the November 2024 ballot. If supported by the City Council, the new rate would go into effect in January of 2025. At that time, the combined total sales tax rate in Sonoma would become 9.25 percent. The funds would start being received in the first part of 2025.

The budget presented maintains City services at levels commensurate with the expectations of our community. Vital police and fire services are maintained, as are business, art, and community activities. Despite a projected deficit, this budget includes additional resources for programs aimed at the most vulnerable of our community, increasing homeless services.

About Reserves. To meet the challenge of balancing the budget in this time of economic uncertainty, the adopted budget for FY 2024-25 draws on General Fund reserves. The reserve balance has grown in the past years, as the City has prudently set aside "rainy day" funds. The balance of the reserves was \$9.4 million at FY 2019-20 year end and is estimated to be \$13.3 at June 30, 2024, providing a resource for the city to fill the \$2.9 million deficit.

The General Fund reserve level is guided by parameters set forth in the City's Financial Reserve Policy, which sets the minimum balance at a base amount of \$1.5 million plus an amount that would provide funding for city operations for two months, equating to 17 percent of the annual General Fund operating budget. This translates to a floor of \$4.3 million. This Operating Reserve is designated to help mitigate the effects of economic downturns on City services and allow time to adjust operations accordingly. Any remaining portions of the reserve balance are available for one-time projects and to restore the emergency and operating reserves to their target levels.

Going Forward. The FY 2024-25 Budget is a plan to weather an economy that is expected to afford the City time to address challenges in the coming year. Despite the projected deficit, there is some call for optimism. The inflationary pressures we have experienced have improved yields, which will result in higher

interest earnings for the City. The City has a strong economic infrastructure and elastic revenue sources, such as sales taxes, will rise quickly when the economy rebounds.

We expect the City to remain resilient, and we will be updating the General Fund forecast mid-year to capture any changes in the financial outlook. Staff will also be exploring long-term solutions to address the structural deficit, such as opportunities to increase revenues and, where possible, control expenses. The City will explore the following fiscal sustainability activities over the next year to maintain its reputation, effectiveness, and fiscal accountability to the community.

1. **Strategic Planning, Policies, and Procedures.** While some financial policies are in place, there are a several that would be appropriate to implement, including a surplus utilization policy, budget administration policy, reserves levels, long-term financial planning, and structurally balanced budget policies. Additionally, a Pension Funding Policy would support the decision-making process of the City Council as it applies to the City's defined benefit pension plan. This Policy would establish guidelines for funding of current and future costs associated with the City's contractual obligations to provide pension and work in conjunction with the City's other adopted financial policies (examples: additional discretionary payments and establishment of a Section 115 trust from surplus funds).
2. **ERP software optimization.** Staff will engage its existing integrated finance system provider or a qualified consulting firm to perform an assessment of the City's ERP system aimed at maximizing process efficiency and software optimization, especially in the areas of workflow processing, automated timekeeping, document management system, and establishing an encumbrance and carryforward budget management system.
3. **Exploration of Various Revenue Enhancements.** Maintaining service levels by increasing the resources available to pay for those services through new or increased revenues.
4. **Exploration of Expenditure Controls/Cost Shifts.** Maintaining service levels through reductions in expenditure or shifting the cost burden away from the General Fund.
5. **Exploration of Service Delivery and Governance Changes.** Maintaining service levels by changing the way that services are delivered, either through fiscal governance practices, contracting for services or insourcing services from other agencies.
6. **Service Level Reductions.** If the above strategy types do not yield sufficient fiscal savings to the General Fund, the City will need to explore service level reduction strategies in order to achieve fiscal sustainability. This is considered a strategy of least desirability due to negative impacts on residents, and municipal infrastructure.

FY 2024-25 GENERAL FUND OPERATING BUDGET

Overall

The General Fund Operating budget for the City of Sonoma for FY 2024-25 is \$27,118,608 including transfers. Table 1 is a summary chart for the FY 2024-25 General Fund Budget.

Table 1 - FY 2024-25 General Fund Budget Summary

FY 2024-25 General Fund Budget	
Revenues	\$ 24,262,320
Expenditures	\$ 27,118,608
Surplus/(Deficit)	\$ (2,856,287)

The \$2.9 million deficit depicted is the result of a nearly flat revenue budget coupled with a five percent increase in expenditures. As will be discussed in greater detail below, much of the revenue loss is due to lagging sales and transient occupancy tax. During the May 30, 2024, budget workshop, a projected General Fund budget deficit of \$3.8 million was disclosed for FY 2024-25. Since this time, staff was able to identify budget adjustments to narrow the deficit by approximately \$1 million. Some of the expenditure adjustments, such as CIP deferrals, can be reconsidered at mid-year after the FY 2023-24 budget surplus is known and revenue trends for the new year have been evaluated.

General Fund Revenues

The City's top three revenue sources; including sales tax, transient occupancy tax, and property tax; make up 75 percent of total General Fund revenue. A confluence of economic factors has resulted in flat General Fund revenue overall for FY 2024-25.

Sales tax (including Measure V local sales tax) makes up 28 percent of total General Fund revenue and is projected to decrease 3.4 percent from the prior year. Elevated inflation and interest rates led to a higher cost of goods resulting in consumers not spending as much as they had in the prior year. Following multiple years of post-pandemic tax growth assisted by federal tax policy and temporary workplace accommodations, consumers reassessed their economic conditions and limited purchases. Following the greater trend of consumers looking for value, fine dining eateries experienced lower receipts. Restaurants make up 25 percent of the City's sales tax receipts (the largest segment of sales tax receipts). As consumers still desire to eat out and travel, they are making more cost-conscious decisions, resulting in slower growth.

Sonoma's receipts from October through December of 2023 were 7.9 percent below the fourth sales period in 2022. Excluding reporting aberrations, actual sales were down year-over-year in Sonoma across all industry categories. The fourth quarter is notably the highest sales tax generating quarter of the year and exhibited diminished year-over-year returns as consumers balanced higher prices and financing costs with essential household needs. Measure V, the voter approved transaction tax had negative collections with a drop of 4.0 percent.

Transient occupancy tax makes up 25 percent of the City's General Fund revenue and is expected to decrease 8 percent from the prior year's amended budget. This revenue total includes one percent of TOT that is transferred to the Housing Trust Fund. The decrease is the result of sluggish demand as more frugal travelers are opting for cheaper travel options. California's monthly occupancy rate was down, the state's

average daily rate was flat, and the revenue per available room was down from the prior year. FY 2023-24 saw less hotel business, but years prior enjoyed incredible pent-up demand post-Covid and high rates. Hotels in general have brought rates down to stay competitive as travelers opted to go other places less expensive options.

Property tax makes up 23 percent of General Fund revenues and is projected to increase 9 percent over the prior year amended budget due to higher than expected secured and unsecured property taxes and higher redevelopment property tax trust fund distributions. Currently, home prices in California are 38.9 percent above their pre-pandemic peak in February 2020, with a median price of \$784,500. The state’s severe housing shortage is the primary reason prices have exhibited robust growth despite high mortgage rates and declining sales. The past year saw continued interest rate hikes by the Fed and also a continuation of the downturn in the real estate cycle that began in late spring 2022. As interest rates increased between 2022 and 2023, there were fewer sale transactions of single-family residential homes. This was due in part to insufficient supply as homeowners with lower interest rates were reluctant to give up those homes to search for others with higher prices and higher mortgage rates. In March 2024, Sonoma home prices were down 1.9 percent compared to last year. In spite of this, we anticipate strong growth in property taxes in FY 2024-25, with slower, yet steady growth in subsequent years.

All other revenues including fees & charges for services, business license tax, franchise tax collected from local utilities, licenses and permits, fines and forfeitures, and transfers for the cost allocation plan are expected to increase \$301,000 or 5.4 percent over the prior year. Table 2 below shows FY 2024-25 projected General Fund revenue by type.

Table 2 – FY 2024-25 Revenue Estimates by Type

Revenue Category/Fund Total	FY 24-25 Proposed Budget
Transient Occupancy Tax (TOT)	\$ 6,022,256
Property Taxes	\$ 5,516,449
Sales Tax	\$ 4,026,681
Measure V Local Sales Tax	\$ 2,752,286
EMS - Ambulance Billing	\$ 2,275,000
Fees & Charges for Services	\$ 981,997
Franchise Tax	\$ 643,086
Business License Tax	\$ 493,916
Other Revenues	\$ 1,550,649
Total Revenue	\$ 24,262,320

Table 3 shows some of the FY 2024-25 General Fund key revenue increases/(decreases) as compared to the FY 2023-24 amended General Fund Budget:

Table 3 - General Fund Key Revenue Increase/ (Decreases)

Revenue Category/Fund Total	\$ Change FY24-25 Proposed Budget to FY23-24 Amended Budget
Transient Occupancy Tax (TOT)	\$ (495,980)
Property Taxes	\$ 465,664
Sales Tax	\$ 24,318
Measure V Local Sales Tax	\$ (264,133)
EMS - Ambulance Billing	\$ -
Fees & Charges for Services	\$ (300)
Franchise Tax	\$ 67,274
Business License Tax	\$ 106,316
Other Revenues	\$ 102,319
Total Revenue	\$ 5,478

General Fund Expenditures

Proposed General Fund FY 2024-25 expenditures are increasing \$1.2 million, or 5 percent, from the FY 2023-24 amended budget.

Table 4 – FY 2024-25 Expenditure Estimates by Type

Description	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 24-25 Budget	\$ Change FY24-25 Proposed Budget to FY23-24 Amended Budget	% Change FY24-25 Proposed Budget to FY23-24 Amended Budget
Personnel Costs	\$ 5,002,594	\$ 4,980,583	\$ 5,459,481	\$ 478,898	10%
PERS UAL	\$ 1,327,620	\$ 1,327,615	\$ 1,874,377	\$ 546,762	41%
Professional Services	\$ 1,167,957	\$ 1,781,263	\$ 1,308,505	\$ (472,758)	-27%
Sheriff Contract	\$ 5,344,529	\$ 5,344,529	\$ 6,217,192	\$ 872,663	16%
SVFRA Contract	\$ 6,773,055	\$ 6,773,055	\$ 6,554,311	\$ (218,744)	-3%
Operating Costs	\$ 5,471,700	\$ 5,433,942	\$ 5,324,742	\$ (109,200)	-2%
Transfers Out - CIP	\$ 280,000	\$ 280,000	\$ 380,000	\$ 100,000	36%
TOTAL OPERATING EXPENDITURES	\$ 25,367,455	\$ 25,920,987	\$ 27,118,608	\$ 1,197,621	5%

As a service organization, the majority of the City’s costs are for staffing (either city employees or service contracts, such as police and fire). The budget for current staffing is approximately 10 percent higher than the budget proposed in the previous fiscal year. This increase is the result of salary and wage increases in accordance with existing Memorandums of Understanding (MOU) with City bargaining units and the addition of a Cemetery Manager position approved by the City Council mid-year in FY 2023-24. Other costs associated with personnel include current (non-liability) pension costs, health care insurance and other benefits which are also increasing.

The City's CalPERS Unfunded Actuarial Liability (UAL) increased 41 percent, or \$547,000 over the prior year due to poor investment earnings. The UAL represents the amount by which the City's actuarial accrued pension liability exceeds the actuarial value of assets; or, in other words, the present value of benefits earned to date that are not covered by plan assets. The employer and employee make contributions into the CalPERS pension trust each year, over the course of an employee's working life. That money is invested and earnings from these funds are reinvested. By the time the employee reaches retirement, the accumulated assets in the trust are available to pay benefits. The objective of course, is to accumulate sufficient assets to pay the benefits over the remainder of the employee's life. To meet this objective, a pension plan should receive contributions in accordance with an actuarially based funding policy. If investment returns fall below what is needed to maintain adequate funding, higher employer UAL contribution costs are required. Tumultuous global markets in FY 2021-22 played a role in CalPERS' first investment loss since the global financial crisis of 2009. CalPERS target earnings rate of 6.8 percent fell short with a net return of -6.1 percent. Like most other CalPERS contracted agencies that carry a UAL, Sonoma is required to pay for that FY 2021-22 loss on an amortized basis beginning in FY 2024-25.

Professional service contracts are decreasing 27 percent, or \$473,000, due mostly to the elimination of prior year one-time contracts as planned. The Sheriff's contract is increasing 16%, or \$873,000, due to administrative overhead increase for training, Insurance and Liability increase, and labor contract increase.

The Fire District contract decrease of \$219,000 represents the net of both a decrease of a prior year one-time item and a contract increase for FY 2024-25. The decrease represents the removal of the prior year one-time cost of \$490,000 for 3 minimum staffing firefighter/paramedic positions tied to the SAFER Grant program and an increase of \$234,000 to the annual contract to cover cost of living adjustments, insurance and workers compensation. Through the recent passage of Measure H, long-term funding for the 3 minimum staffing firefighter/paramedics (former SAFER Grant positions) has been accomplished. Measure H will provide permanent long-term funding for these three positions and will also fund support services in Prevention/Inspection as well as in Fleet Maintenance. The City has created a new fund to account for the receipt and disbursement of Measure H funds for this purpose starting in FY 2024-25. The City is also budgeting \$37,000 to pay for the 3 fire fighter positions until Measure H funds begin to be distributed in approximately October of 2024.

Operating costs including cost recovery, property services, operations, supplies, software & equipment, and internal service fund charges are decreasing 2 percent, or \$109,000, from the prior year due to higher costs. Transfers out in support of the Capital Improvement Program are increasing 36 percent, or \$100,000, and will provide funding for the important projects discussed in a later section of this report.

Recreation and Community Programs

Recognizing the significant role that recreational and community services programs play in enhancing the overall health and well-being of its citizens, the City has regularly provided funding, financial support, subsidized utilities, and leases to non-profits providing these services in Sonoma. A few years ago, the City organized funding of recreation and community services into a Recreation & Community Services program and created agreements with key non-profits to recognize this outsourcing partnership.

Due to the importance of these community services, staff recommends that the City continue to support our Core Recreation providers and have updated the amount to each to address increase in costs to the providers and expanded scope for others.

Program	FY 23/24	FY 24/25 Proposed	% Change from FY23/24
Sonoma Ecology Center	\$25,000	\$27,500	10%
Boys & Girls Club Sonoma	\$55,000	\$60,500	10%
Sonoma Community Center	\$40,000	\$60,500	51%
Vintage House	\$40,000	\$44,000	10%
SV Field of Dreams	\$15,000	\$27,500	83%
Sonoma County Transit	\$13,500	\$17,500	30%
Preliminary Unallocated Recreation & Community Services, Heritage & Community Events	\$56,167	\$21,023	
10 percent City Council Discretionary Funding	\$27,185	\$29,835	
Total Program Funding	\$271,852	\$298,358	

Additional Program Notes:

- *Continue to include a donation of \$10,000 for 4th of July fireworks. 4th of July activities is also supported with fee waivers and overtime costs for police services.*
- *No changes to fee waiver policies for Community and Heritage sponsored events.*
- *No change recommended in financial support to Sebastiani Theatre Foundation*

The City will continue to monitor and track the water subsidies to its community partners. The City supplies water at no cost or dramatically reduced costs to a number of our community partners. For FY 2024-25, the City will continue to account for water expenses of our community partners that are provided at a reduced cost or free of charge in the Community Activities budget under Utilities. These expenses are categorically distinct from the City’s other utility expenses as each is the result of a memorialized agreement between the City and these community partners and the term and magnitude of our obligations in those agreements should be recognized and reviewed annually when budgets are developed.

The City of Sonoma Recreation and Community Services Program Guidelines has provisions for 10 percent of the 1.5 percent allocation to be set-aside for distribution by Council as general-purpose discretionary funding which may be used to support special events or smaller special purpose initiatives that become apparent throughout the fiscal year. In addition, any remaining funding that is not allocated to the community partners above, is also added to this discretionary funding. The total budget for Community Funding for FY2024-25 is \$298,358. This year, a new approach was taken to distribute these discretionary funds. Outreach was done to solicit interest from community groups that focused on recreation, art education, community events and community service/projects. The following criteria was established for this new process:

- Eligible Programs, must be held in City of Sonoma/or Sonoma Valley (zip code 95476) and provide community benefit to a high percentage of Sonoma Valley residents in at least one of the following categories:
 - Free community event, project or services held in City of Sonoma
 - Services or financial assistance that directly benefit specifically identified and verified SV residents; or
 - Educational services or supplies to benefit K-12 schools serving SV students.
- Awards eligible up to a maximum of \$3,000 per fiscal year based on the City’s approved budget.
- The City Council has the ultimate discretion and final approval for all program funding, including not allocating all of the discretionary funding.

This year the City received a total of 20 eligible requests for funding equaling a dollar value of \$47,828. The proposed programs, recommended award and number of people served can be found in Attachment No 7 (Resolution 05; Attachment A).

Homeless Services

The City of Sonoma approved its 3-year Homelessness Strategic Plan in May of 2023. The plan calls for the City to work with the County of Sonoma and local service providers to create a highly coordinated, housing-focused system of care that is sustainable and enduring. To move this plan forward, the FY 2024/25 budget includes \$200,000 towards implementing the elements identified in the plan. In addition to the \$200K, an additional \$94,000 of Measure O funds provided by the County of Sonoma have been allocated to fund homeless initiatives in Sonoma. With direction provided by the City Council to support local service providers, coordination with the County and community partners to align funding and services, the following funding allocation is recommended as part of this budget by Resolution:

Total Annual Homeless funding: \$200,000 General Fund + \$94,000 Grant (Measure O)

- \$94,000 (grant) – By Name Manager (Measure O Sonoma County Grant Awarded to the City of Sonoma to cover the cost of the Sonoma Valley By Names List (BNL) Manager
- \$100,000 – Case Manager (Managed by HAS)
- \$50,000 – HAS (transitional shelter operations and day services)
- \$50,000 – SOS (food distribution for local homeless programs and prevention)

Capital Improvement Budget

Our local economy and daily life rituals depend on reliable infrastructure to deliver our water, circulate our vehicles and bicycles, protect our creeks, and prevent flooding by removing excess water through storm drains. Maintenance and reinvestment in infrastructure is costly, and if deferred, becomes even more expensive. Historically, the City’s redevelopment agency was the major funder of capital infrastructure improvements for our community. The State’s elimination of redevelopment has created a large financial hole for Sonoma that continues to impact us. The Capital Improvement Program (CIP) is a planning document to support our safe, healthy, and vibrant community through investment in public infrastructure throughout the City. The CIP includes projects to improve the City’s streets, sidewalks, bikeways, and storm drainage; water system; parks and open space; cemeteries; and City buildings. Table 6 is the FY 2024-25 General Fund funding for CIP projects.

Table 6 - Total Funding Request by Project for FY 24/25 Capital Improvement Program

Parks CIP Projects

CIP #	Project Name	General Fund Designated 304-50000 Gen	Quimby Act 314-50000	Parks Measure M 315-54000*	PROJECT TOTAL
P-3	Montini Preserve Fire Enhancement	\$0	\$0	\$35,000	\$35,000
P-7	Pinelli Park Improvement Project	\$0	\$32,755	\$0	\$32,755
P-8	Olsen Park Improvement Project	\$50,000	\$80,166	\$120,000	\$250,166
P-9	Depot Park Enhancements Project	\$0	\$0	\$200,000	\$200,000
P-12	Sonoma Oaks Enhancements Project	\$20,000	\$0	\$72,000	\$92,000
P-13	Fifth St West Park	\$0	\$25,000	\$0	\$25,000
P-14	Sonoma Overlook Trail HCF Grant Project	\$0	\$5,000	\$0	\$5,000
SUBTOTAL		\$70,000	\$142,921	\$427,000	\$639,921

* Measure M Funding recommended by PROS Committee

Streets CIP Projects

CIP #	Project Name	General Fund 301-50000 Gen.	Gas Tax 302-51001	RMRA: SB1 303-50000	Trans. Measure M 313-54000
T-3	Bi-Annual Slurry Seal Projects			\$350,000	
T-5	Ongoing Pavement Rehabilitation & Water Services Replacement Projects		\$986,000	\$642,000	\$287,000
T-6	Citywide Roadway Safety Improvement Projects (GoSonoma)	\$200,000			
SUBTOTAL		\$200,000	\$986,000	\$992,000	\$287,000

Stormwater CIP Projects

CIP #	Project Name	General Fund 301-50000 Gen.	Grant Funds	PROJECT TOTAL
CD-3	Broadway & Leveroni Road Flood Reduction & Trash Capture Project	\$60,000	\$60,000	\$120,000
CD-7	Storm Drain System Condition Rating	\$50,000		\$50,000
SUBTOTAL		\$110,000	\$60,000	\$170,000

Water CIP Projects

CIP #	Project Name	Water Fund 512-62001	Grant Funds	PROJECT TOTAL
W-4	Replacement of Water Services with Pavement Rehab Projects	\$650,000	\$0	\$650,000
W-10	Water Meter System Upgrades (AMI)	\$0	\$300,000	\$300,000
SUBTOTAL		\$650,000	\$300,000	\$950,000

Conclusion and Acknowledgement

As with most Cities and agencies that are facing difficult budget scenarios this year, we are taking this budget seriously and have identified concrete measures to take over the next 6-12 months to ensure we have a sustainable and functional budget for years to come. This will take hard work from city staff, the City Council and our community to identify operational changes, creation of new fiscal policies and the potential passage of a new revenue measure.

Our City staff is to be commended for the many outstanding accomplishments over the past year to address policies, procedures and projects that addressed compliance, support our community and moving council goals forward. While staff has been working to keep progress moving on a number of fronts while covering for a number of vacancies, we have made progress on recruiting and filling critical vacant positions. I have been honored to lead such a dedicated team, I am so impressed with their dedication, professionalism, and the teamwork that is authentically conveyed on a daily basis to our customers.

I am also thankful for the leadership and hard work of the City Council, whose policy decisions have put us in a position to weather the economic challenges in the coming year. Sonoma is a special place to live and work and it is an honor to work in partnership with the City Council, the community, and our employees to maintain Sonoma's quality of life.

Respectfully submitted,



David Guhin
City Manager

FINANCIAL SUMMARY

**Financial Summary
Budget Calendar for 2024-25
Revenues - Financial Summary
Expenses (Appropriations) Summary
Reserve Summary
Transfers Between Funds
City Organization Chart (by function)
Summary of Staffing and Positions
Sonoma at a Glance
Sonoma Maps**

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INTRODUCTION

The City Council serves as the policy board for the municipality. As an elected “Board of Directors”, the City Council provides policy direction, establishes goals, and sets priorities for the City government. In addition to serving as the policy makers for the community, the City Council also is responsible for numerous land use decisions within its borders, including the General Plan. The City Council appoints the City Manager and City Attorney.

The City of Sonoma operates under a Council-Manager form of government. The City Manager is considered the Chief Executive Officer (CEO) of the City as a municipal corporation. The City provides municipal services that include police, fire, public works, parks maintenance, community development and community activities. In addition, the City operates a water system and three cemeteries in the form of enterprise funds. This report includes all funds of the City of Sonoma and its blended component unit, the Successor Agency of the Sonoma Community Development Agency, for which the City is financially accountable.

The City Council establishes annual budgets for the General Fund and Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager, in collaboration with the Finance staff, prepares an estimate of revenues and prepares recommendations for the next year’s budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

BUDGET / CITY FUNDS

The budget is a comprehensive financial plan that articulates the goals and objectives of all City departments for the following year. Department managers prepare budgets and outline goals and objectives for the next year. The budget is also an opportunity to look back at accomplishments in the current fiscal year. The budget reflects the goals and initiatives that have been outlined by the City Council.

In order to understand the budget document, it is important to have some background on the basis of municipal budget and accounting. The City’s accounts are organized on the basis of funds, each of which is considered a separate accounting entity, and which are required by state or federal law or proper accounting practice. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The operating budget includes proposed spending from many different funds. Depending on the type of service provided by a department, expenditures may be authorized from a number of funds. The majority of traditional city services are funded through the General Fund.

FINANCIAL SUMMARY

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that require accounting in another fund. The General Fund is largely funded through general tax revenue. Fiscal impacts to the General Fund play a large part in the City's ability to pay for core community service such as public safety.

Proprietary Funds

The proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, which means that all assets and all liabilities associated with each fund's activity, whether current or non-current, are included on its balance sheet. The reported fund equity is segregated into assigned and unassigned retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total assets. There are two primary types of proprietary funds – Enterprise Funds and Internal Service Funds. Proprietary Funds can only charge customers the cost the City incurs. The City cannot make a profit on these services.

Enterprise Funds – The city maintains two enterprise funds – Water Fund and Cemetery Fund. By Governmental Accounting definition, Enterprise Funds are "to account for operations that are financed and operated in a manner similar to private business enterprise-where the intent of the governing body is that the costs of providing goods or services are financed or recovered primarily through user charges." The intent is to have the expenses (including depreciation) of providing goods or services on a continuing basis to the park residents, financed or recovered primarily through charges to the residents. Enterprise funds are intended to be fully self-supporting and not subsidized by the General Fund or other funds.

Internal Service Funds — The internal service funds are used to account for, and finance, services and commodities furnished by a designated department of a governmental unit to other departments of the same governmental unit. The City uses Internal Services Funds to develop reserves for large purchases such as vehicles (Vehicle Replacement Fund), Management Information Systems, and large building maintenance activities (Long Term Building Maintenance Fund). This avoids large fluctuations due to large asset purchases or significant repairs.

Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt. For example, the Gas Tax Fund is designated as a Special Revenue Fund as it receives the State calculated allocation of motor vehicle fuel taxes which can only be used for legally restricted specific streets and related transportation purposes/projects.

Fiduciary Funds

Trust and agency funds are used to account for assets held by the city in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include expendable trust funds, non-expendable trust funds (permanent funds), pension trust funds, and agency funds.

FINANCIAL SUMMARY

The Successor Agency is one example of this type of fund. The Successor Agency provides for receipt of Redevelopment Property Tax Trust Fund (RPTTF) funds and payment of former Community Development Agency expenses approved by the State Department of Finance. The City Council sits as the Successor Agency to the Community Development Agency of the City of Sonoma. All actions of the Successor Agency must be approved by a County Consolidated Oversight Board comprised of representatives of the taxing entities and the State's Department of Finance.

Debt Service Funds

The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Water Fund and Successor Agency have debt payments within their program budgets.

Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

BASIS OF BUDGETING

A municipal budget is a legally required management and planning tool to forecast expenditures and revenues the City will incur in the upcoming fiscal year. It is neither actual revenue nor actual expenditures, but a tool to plan for the desired level of expenditures with the expected level of revenue. The budget is constantly monitored throughout the year, to make adjustments so that at the end of the year the budget is in balance.

The budget is prepared in accordance with Generally Accepted Accounting Principles. The budgets for all funds have been prepared on a modified accrual basis, adjusted for encumbrance accounting. Appropriations for encumbrances are included; however, appropriations for expenditures against prior year encumbrances are excluded. The modified accrual basis recognizes expenditures at the point in time when the related fund liability is incurred, not necessarily when the liability is actually paid. Revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Each fund is estimated prior to the end of the fiscal year utilizing the same basis of accounting that is used for the same fund within the final audited financial statements once the Fiscal Year is closed.

CITY OF SONOMA

BUDGET CALENDAR FOR 2024-25

April

Budget Kick-off

May

Current Year Budget Update
Study Session General Fund
Study Session Public Works and CIP

June

Budget, CIP and Authorized Positions Adopted

August

Budget Book Presentation

REVENUES - FINANCIAL SUMMARY

REVENUE OVERVIEW

Fund	Revenue Category/Fund Total	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals	FY 24-25 Proposed Budget	\$ Change FY24-25 Proposed Budget to FY23-24 Amended Budget	% Change FY23-24 Proposed Budget to FY22-23 Amended Budget
100	Property Taxes	\$ 5,205,404.00	\$ 5,050,785.00	\$ 5,050,785.00	\$ 4,773,533.00	\$ 5,516,449.00	\$ 465,664.00	9%
100	Sales & Use Taxes	\$ 3,906,128.00	\$ 3,833,378.00	\$ 3,833,378.00	\$ 3,366,182.00	\$ 3,840,426.00	\$ 7,048.00	0%
100	Measure J/U Local Sales Tax	\$ 2,874,682.00	\$ 3,016,419.00	\$ 3,016,419.00	\$ 2,412,495.00	\$ 2,752,286.00	\$ (264,133.00)	-9%
100	Sales Tax - Public Safety	\$ 180,825.00	\$ 168,985.00	\$ 168,985.00	\$ 167,924.00	\$ 186,255.00	\$ 17,270.00	10%
100	Sales Tax - County Parks - Cit	\$ -	\$ -	\$ -	\$ 37,657.00	\$ -	\$ -	0%
100	Fees	\$ 836,449.00	\$ 609,602.00	\$ 609,602.00	\$ 1,078,858.00	\$ 615,602.00	\$ 6,000.00	1%
100	Transient Occupancy Tax (TOT)	\$ 6,413,453.00	\$ 6,518,236.00	\$ 6,518,236.00	\$ 5,888,801.00	\$ 6,022,256.00	\$ (495,980.00)	-8%
100	Franchise Tax	\$ 631,002.00	\$ 575,812.00	\$ 575,812.00	\$ 644,381.00	\$ 643,086.00	\$ 67,274.00	12%
100	Business License Tax	\$ 475,816.00	\$ 387,600.00	\$ 387,600.00	\$ 468,078.00	\$ 493,916.00	\$ 106,316.00	27%
100	Real Property Transfer Tax	\$ 179,477.00	\$ 153,000.00	\$ 153,000.00	\$ 148,537.00	\$ 185,890.00	\$ 32,890.00	21%
100	Licenses & Permits	\$ 291,081.00	\$ 206,180.00	\$ 206,180.00	\$ 344,244.00	\$ 297,761.00	\$ 91,581.00	44%
100	Fines & Forfeitures	\$ 54,527.00	\$ 87,000.00	\$ 87,000.00	\$ 60,741.00	\$ 83,000.00	\$ (4,000.00)	-5%
100	Interest & Rents	\$ 154,660.00	\$ 95,027.00	\$ 95,027.00	\$ 154,150.00	\$ 126,775.00	\$ 31,748.00	33%
100	Grants	\$ 323.00	\$ -	\$ -	\$ 140,453.00	\$ -	\$ -	-
100	Federal Grants	\$ 1,318,588.00	\$ -	\$ -	\$ -	\$ -	\$ -	-
100	Charges For Services	\$ 111,419.00	\$ 372,695.00	\$ 372,695.00	\$ 165,403.00	\$ 366,395.00	\$ (6,300.00)	-2%
100	EMS	\$ 2,651,827.00	\$ 2,275,000.00	\$ 2,275,000.00	\$ 2,852,545.00	\$ 2,275,000.00	\$ -	0%
100	Miscellaneous	\$ 84,955.00	\$ -	\$ -	\$ 60,271.00	\$ -	\$ -	-
100	Transfers	\$ 1,278,826.00	\$ 790,103.00	\$ 790,103.00	\$ 790,103.00	\$ 770,102.00	\$ (20,001.00)	-3%
100	Other Revenues	\$ 41,745.00	\$ 59,900.00	\$ 59,900.00	\$ 80,443.00	\$ 30,000.00	\$ (29,900.00)	-50%
100	Interest Revenue	\$ 116,381.00	\$ 57,120.00	\$ 57,120.00	\$ 381,005.00	\$ 57,120.00	\$ -	0%
100	Total General Fund	\$ 26,807,568.00	\$ 24,256,842.00	\$ 24,256,842.00	\$ 24,015,804.00	\$ 24,262,319.00	\$ 5,477.00	
ENTERPRISE FUNDS								
501	Cemeteries	\$ 239,404.00	\$ 316,923.00	\$ 316,923.00	\$ 277,702.00	\$ 316,923.00	\$ -	0%
504	Cemetery Endowment	\$ 30,806.00	\$ 39,120.00	\$ 39,120.00	\$ 30,251.00	\$ 39,120.00	\$ -	0%
510	Water Utility	\$ 6,084,611.00	\$ 6,573,500.00	\$ 6,573,500.00	\$ 6,126,367.00	\$ 6,891,500.00	\$ 318,000.00	5%
521	EMS-Equip.Replacement	\$ 2,352.00	\$ 2,500.00	\$ 2,500.00	\$ 4,015.00	\$ 2,500.00	\$ -	0%
INTERNAL SERVICE FUNDS								
601	Mgmt Information Service (MIS)	\$ 443,667.00	\$ 488,630.00	\$ 488,630.00	\$ 492,281.00	\$ 505,317.00	\$ 16,687.00	3%
603	Vehicle Replacement	\$ 409,329.00	\$ 332,289.00	\$ 332,289.00	\$ 358,673.00	\$ 422,065.00	\$ 89,776.00	27%
610	L/T Bldg Maint	\$ 329,094.00	\$ 312,380.00	\$ 312,380.00	\$ 353,404.00	\$ 321,524.00	\$ 9,144.00	3%
614	Computer Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
SPECIAL REVENUE FUNDS								
202	Public, Educational & Govt PEG	\$ 44,323.00	\$ 59,061.00	\$ 59,061.00	\$ 52,740.00	\$ 44,201.00	\$ (14,860.00)	-25%
217	SLESF Cops Grnt	\$ 106,835.00	\$ 102,000.00	\$ 102,000.00	\$ 141,849.00	\$ 102,000.00	\$ -	0%
240	Abandon Vehicle	\$ 12,201.00	\$ -	\$ -	\$ 7,135.00	\$ -	\$ -	-
302	Gas Tax	\$ 282,999.00	\$ 267,139.00	\$ 267,139.00	\$ 323,663.00	\$ 303,432.00	\$ 36,293.00	14%
303	Road Maintenance SB1	\$ 240,631.00	\$ 250,209.00	\$ 250,209.00	\$ 263,090.00	\$ 276,778.00	\$ 26,569.00	11%
312	Measure H Fire Services	\$ -	\$ -	\$ -	\$ -	\$ 548,700.00	\$ 548,700.00	-
313	Measure M Funds	\$ 145,737.00	\$ 112,144.00	\$ 112,144.00	\$ 122,840.00	\$ 102,389.00	\$ (9,755.00)	-9%
314	Parks-In-Lieu Fees/Quimby Act	\$ 41,134.00	\$ -	\$ -	\$ 11,059.00	\$ -	\$ -	-
315	Parks Measure M Funds	\$ 203,858.00	\$ 158,200.00	\$ 158,200.00	\$ 133,661.00	\$ 155,451.00	\$ (2,749.00)	-2%
316	Parks Proposition 68 Funds	\$ -	\$ 185,015.00	\$ 185,015.00	\$ -	\$ -	\$ (185,015.00)	-100%
732	Housing Trust Fund	\$ 616,610.00	\$ 514,600.00	\$ 514,600.00	\$ 443,926.00	\$ 432,316.00	\$ (82,284.00)	-16%
796	IGT Fire	\$ 1,142,573.00	\$ 500,000.00	\$ 500,000.00	\$ 1,077,884.00	\$ 900,000.00	\$ 400,000.00	80%
AGENCY FUNDS								
391	Successor Agency	\$ 2,451,007.00	\$ 2,650,427.00	\$ 2,650,427.00	\$ 1,174,046.00	\$ 2,107,259.00	\$ (543,168.00)	-20%
704	Alcalde Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
DEBT SERVICE FUNDS								
495	2008 Creb Bonds	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ -	\$ (41,749.00)	-100%
498	2012 Pension Obligation Bonds	\$ 28.00	\$ -	\$ -	\$ 47.00	\$ -	\$ -	-
630	Grants Restricted	\$ 502,114.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 1,253,760.00	\$ 360,000.00	\$ (2,840,000.00)	-89%
CAPITAL PROJECT FUNDS								
301	City - CIP	\$ 492,011.00	\$ 221,200.00	\$ 221,200.00	\$ 1,574,196.00	\$ 311,200.00	\$ 90,000.00	41%
304	Parks & Facilities CIP	\$ 130,092.00	\$ 85,000.00	\$ 85,000.00	\$ 79,141.00	\$ 85,000.00	\$ -	0%
512	Water - CIP	\$ 73,372.00	\$ 477,750.00	\$ 3,996,515.00	\$ 534,774.00	\$ 1,027,750.00	\$ (2,968,765.00)	-74%
Revenue Total (* Unaudited)		\$ 40,874,105.00	\$ 41,146,678.00	\$ 44,665,443.00	\$ 38,894,057.00	\$ 39,517,744.00		

REVENUES - FINANCIAL SUMMARY

GENERAL FUND

For a further discussion of the City's General Fund budgeted revenues, see page 59.

WATER FUND

For a further discussion of the City's Water Fund, see page 155.

INTERNAL SERVICE FUNDS

Further discussion of the City's Internal Service Funds, begin on page 165.

SPECIAL REVENUE FUNDS

Further discussion of the City's Special Revenue Funds, begin on page 177.

AGENCY FUNDS

For a further discussion of the City's Agency Fund, see page 203.

DEBT SERVICE FUNDS

For a further discussion of the City's Debt Service Fund, see page 207.

EXPENSES (APPROPRIATIONS) SUMMARY

FISCAL YEAR 2024-25 APPROPRIATIONS FOR ALL FUNDS

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Proposed Budget	\$ Change FY24-25 Proposed Budget to FY23-24 Amended Budget	% Change FY24-25 Proposed Budget to FY23-24 Amended Budget
GENERAL FUND:								
City Council (41001)	\$ 123,569	\$ 136,179	\$ 153,023	\$ 174,793	\$ 162,931	\$ 175,143	\$ 350	0%
City Clerk (41002)	\$ 328,494	\$ 427,864	\$ 393,433	\$ 269,813	\$ 247,295	\$ 439,185	\$ 169,372	63%
City Manager (41003)	\$ 861,892	\$ 1,196,359	\$ 1,314,858	\$ 1,336,538	\$ 1,333,795	\$ 1,409,846	\$ 73,308	5%
Finance (41004)	\$ 676,741	\$ 694,895	\$ 801,131	\$ 750,144	\$ 672,201	\$ 686,036	\$ (64,108)	-9%
City Attorney (41005)	\$ 380,321	\$ 476,538	\$ 337,914	\$ 377,164	\$ 370,242	\$ 272,584	\$ (104,580)	-28%
Police (42101)	\$ 5,641,716	\$ 5,805,393	\$ 6,499,239	\$ 6,499,239	\$ 6,457,950	\$ 7,595,839	\$ 1,096,600	17%
Fire (42201)	\$ 6,635,000	\$ 7,227,923	\$ 7,789,458	\$ 7,783,458	\$ 7,713,390	\$ 7,936,241	\$ 152,783	2%
Public Works Admin (43020)	\$ 649,109	\$ 527,469	\$ 536,512	\$ 609,312	\$ 609,123	\$ 655,792	\$ 46,480	8%
Public Works Street (43022)	\$ 941,192	\$ 1,067,979	\$ 1,081,664	\$ 1,138,978	\$ 1,133,371	\$ 1,180,172	\$ 41,194	4%
Public Works Parks (43023)	\$ 902,560	\$ 1,222,028	\$ 1,428,277	\$ 1,331,140	\$ 1,242,856	\$ 1,651,255	\$ 320,115	24%
Planning (43030)	\$ 944,181	\$ 1,355,775	\$ 1,270,847	\$ 1,799,327	\$ 1,330,028	\$ 1,288,153	\$ (511,174)	-28%
Building (43040)	\$ 647,487	\$ 738,221	\$ 1,019,840	\$ 914,790	\$ 792,143	\$ 941,768	\$ 26,978	3%
Community Activities (43101)	\$ 650,974	\$ 807,457	\$ 930,926	\$ 930,926	\$ 799,171	\$ 979,428	\$ 48,502	5%
Successor Agency (43199)	\$ 49,407	\$ 77,931	\$ 205,251	\$ 205,251	\$ 77,168	\$ 174,568	\$ (30,683)	-15%
Non-Departmental (43200)	\$ 766,963	\$ 823,305	\$ 771,335	\$ 959,890	\$ 869,626	\$ 922,874	\$ (37,016)	-4%
Emergency Response (43201)	\$ 14,382	\$ 5,029	\$ -	\$ 6,500	\$ 6,128	\$ -	\$ (6,500)	0%
Subtotal General Fund	\$ 20,213,988	\$ 22,590,345	\$ 24,533,708	\$ 25,087,263	\$ 23,817,418	\$ 26,308,884	\$ 1,221,621	0%
Transfers Out (43999)	\$ 522,816	\$ 664,302	\$ 833,749	\$ 833,749	\$ 712,049	\$ 809,716	\$ (24,033)	-3%
Total General Fund	\$ 20,736,804	\$ 23,254,647	\$ 25,367,457	\$ 25,921,012	\$ 24,529,467	\$ 27,118,600	\$ 1,197,588	5%
CAPITAL PROJECTS FUNDS:								
Streets/Transport CIP (301)	\$ 468,778	\$ 472,404	\$ 3,470,610	\$ 3,648,006	\$ 3,107,262	\$ 310,000	\$ (3,338,006)	-92%
Parks & Facilities CIP (304)	\$ 53,772	\$ 22,242	\$ 85,000	\$ 393,258	\$ 282,085	\$ 85,000	\$ (308,258)	-78%
Water CIP (512)	\$ 845,522	\$ 51,043	\$ 400,000	\$ 4,635,222	\$ 1,499,527	\$ 950,000	\$ (3,685,222)	-80%
ENTERPRISE FUNDS:								
Cemeteries (501)	\$ 356,775	\$ 359,506	\$ 509,532	\$ 509,532	\$ 335,636	\$ 637,125	\$ 127,593	25%
Water Utility (510)	\$ 3,760,632	\$ 4,585,296	\$ 6,555,949	\$ 10,074,715	\$ 5,352,673	\$ 6,789,396	\$ (3,285,319)	-33%
SPECIAL REVENUE FUNDS:								
Public, Educational & Govt PEG (202)	\$ 22,018	\$ 56,677	\$ 59,061	\$ 59,061	\$ 47,528	\$ 59,061	\$ -	0%
C.O.P.S. Grant (217)	\$ -	\$ -	\$ 102,100	\$ 102,100	\$ 100,000	\$ 100,000	\$ (2,100)	-2%
Abandon Vehicle (240)	\$ 10,479	\$ 14,956	\$ -	\$ -	\$ 16,159	\$ -	\$ -	0%
Gax Tax (302)	\$ 14,465	\$ 229,946	\$ 510,000	\$ 766,755	\$ 439,078	\$ 1,080,939	\$ 314,184	41%
Road Maintenance SB1 (303)	\$ 24,314	\$ 318,656	\$ 350,000	\$ 350,000	\$ 352	\$ 992,000	\$ 642,000	183%
Measure H Fire Services (312)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 548,700	\$ 548,700	100%
Measure M Funds (313)	\$ -	\$ 130,451	\$ 130,000	\$ 230,000	\$ 179	\$ 287,000	\$ 57,000	25%
Parks-In-Lieu Fees/Quimby Act (314)	\$ 15,845	\$ 101,373	\$ 50,000	\$ 50,000	\$ -	\$ 142,921	\$ 92,921	186%
Parks Measure M Funds (315)	\$ 36,477	\$ 84,434	\$ 157,000	\$ 277,000	\$ -	\$ 427,000	\$ 150,000	54%
Parks Proposition 68 Funds (316)	\$ 52	\$ 3,596	\$ 185,015	\$ 185,015	\$ 181,541	\$ -	\$ (185,015)	-100%
Cemetery Endowment (504)	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	0%
EMS-Equip.Replacement (521)	\$ 80,321	\$ 157,120	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Grants Restricted (630)	\$ -	\$ 501,000	\$ -	\$ -	\$ 1,253,718	\$ 360,000	\$ 360,000	100%
Pool Scholarship (715)	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	0%
Housing Trust Fund (732)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
IGT Fire (796)	\$ -	\$ 971,025	\$ 440,000	\$ 897,218	\$ 723,901	\$ 519,613	\$ (377,605)	-42%
SVFRA Contract (798)	\$ 9,844	\$ 4,347	\$ -	\$ -	\$ 5,369	\$ -	\$ -	0%
INTERNAL SERVICE FUNDS:								
Mgmt Information Service (601)	\$ 309,180	\$ 412,836	\$ 542,393	\$ 542,393	\$ 434,055	\$ 608,159	\$ 65,766	12%
Vehicle Replacement (603)	\$ 236,496	\$ -	\$ 536,000	\$ 536,000	\$ 323,395	\$ 649,339	\$ 113,339	21%
Long Term Building Maint (610)	\$ -	\$ -	\$ 305,000	\$ 284,025	\$ 56,934	\$ 35,000	\$ (249,025)	-88%
DEBT SERVICE FUNDS:								
Clean Renewable Energy Bonds (495)	\$ 41,748	\$ 125,246	\$ 41,749	\$ 41,749	\$ (41,748)	\$ -	\$ (41,749)	-100%
Pension Obligation Bonds (498)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
AGENCY FUNDS:								
Successor Agency (391)	\$ 1,905,481	\$ 1,441,517	\$ 2,630,651	\$ 2,630,651	\$ 1,434,671	\$ 2,591,338	\$ (39,313)	-1%
TOTAL OPERATING & CAPITAL PROJECTS:	\$ 28,929,003	\$ 33,348,318	\$ 42,502,517	\$ 52,208,712	\$ 40,156,782	\$ 44,366,191		

*unaudited

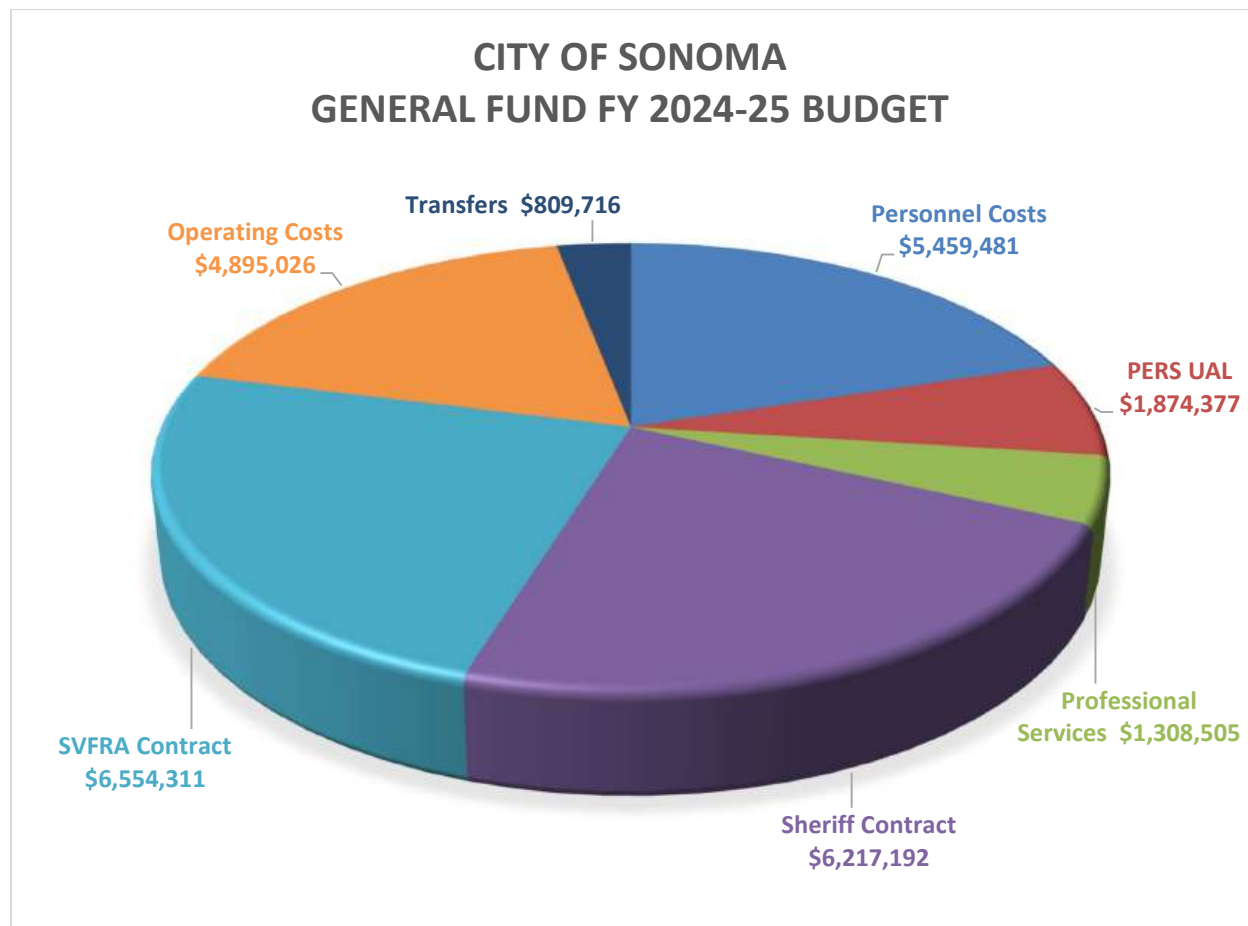
EXPENSES (APPROPRIATIONS) SUMMARY

GENERAL FUND APPROPRIATIONS BY CATEGORY AND PROGRAM

The General Fund expenditure of **\$27,118,600** (including transfers) is a significant component of the Operating Budget. As a service organization, the majority of the City's costs are for staffing (either city employees or service contracts, such as Police and Fire). The Adopted FY 2024-25 General Fund budget for staffing throughout the City departments remained static, overall, with some classification changes that can be seen in the Personnel Allocation Listing on the next page.

Major increases within the General Fund budget for FY 2024-25 include \$872,663 to the Sheriff's contract and \$478,898 increase in personnel cost for the year. Salary & Benefits included cost of living adjustments (COLA) and previously discussed changes that resulted in a two and half percent increase in salary and benefits increased by four percent, due primarily increasing health insurance and workers compensation costs.

The City of Sonoma's General Fund expenses can be grouped into several broad categories. The Police and Fire Service Contracts are the largest category of expenses for the City. It is very typical for municipalities to spend most their General Fund budget on public safety. In looking at the General Fund on a program basis, **47%** of operating expenditures go to the Police and Fire contracts. The chart below shows the FY 2024-25 General Fund expenditures by category:



EXPENSES (APPROPRIATIONS) SUMMARY

The next largest category is salary and benefits, which is appropriate for a service-based organization (a summary of staffing and positions follows this section). The General Fund budget also includes transfers for **\$809,716** to other funds. These transfers include a total of **\$429,716** to different funds, and an appropriation of **\$380,000** for Capital Improvement Program projects (discussed in further detail in the 5-Year CIP program budget).

BUDGET CHANGES

Global Updates Affecting All Budgets

In each of the department budgets, some general changes have been included based on contractual agreements, increased pension-related costs, or realignment of costs initiated to better capture the appropriate accounting structure or cost share. These changes are not specific to a single program or department. Each is briefly discussed as follows:

Personnel Allocations: Individual employee positions are allocated to the specific department budget where they spend their time. For example, the Public Works Operations Manager is spread among the various public work budgets (Streets, Water, Parks & Facilities, and Cemetery). Each year the allocations are reviewed and modified based on current operations.

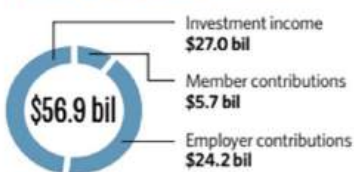
Cost Allocation Plan: The implementation of the 2018 Cost Allocation Plan puts salaries and benefits costs back into the General Fund “central services” departments or divisions (e.g., the City Manager’s Office, City Clerk, Finance and Administrative Services, and Public Works Administration) and then portions of these departments are charged back to line departments or enterprise funds based on specific cost methodologies. Most of these increases are offset by allocations to recipients of these services through fund-level transfers, and do not represent an actual increase in total costs.

Employee’s Salary: The City has one formal union, SEIU, with all other employees unrepresented. The current contract with SEIU was ratified in FY 2022-23. The FY 2024-25 General Fund budget includes an increase in wages to the city employees of two and half percent. To avoid compaction and to reflect warranted cost-of-living adjustments, the managers’ wages are increased at the same percentage. Other wage changes allow for step increases for new employees and for employees not yet at top step.

CalPERS: The City is a member of the California Public Employee Retirement System (CalPERS) through which pensions are provided to its employees. The City does not participate in Social Security. Although the City has been judicious through the years about pensions, pension costs are increasing for all cities. Pensions are funded in three ways -- investment earnings by CalPERS, contributions by employees and contributions by employers. PERS investment earnings and employee contributions pay well almost 70% of the total cost. As of June 30, 2023, PERS investment earnings are paying 56% of total pension costs. As investment earnings provide less funding, public agencies as the employer are faced with increasing costs.

Contributions to the Fund

Funding by Source (FY 2022-23)



How Public Employee Pensions Are Funded



Every dollar paid to CalPERS retirees comes from three sources, with more than two thirds coming from CalPERS investment earnings and member contributions.²

EXPENSES (APPROPRIATIONS) SUMMARY

As of June 30, 2022, CalPERS had 70.9% of the funds required to pay estimated retirement benefits. There are several factors contributing to CalPERS' insufficient funding, including: enhanced benefits provided to employees in the early 2000s, investment losses from the recession, including a 34.75% loss in 2008, cost of living increases, changing demographics with mortality rates decreasing, and changing PERS contribution rates and investment assumptions, all of which have pushed costs to the cities as the employer.

CalPERS Investment earnings affect how much future benefit payments can be funded by investment income rather than by contributions. If lower investment earning occurs, future contributions must increase to make up the expected difference. The volatility of the investment earnings in recent years have been a significant contributor to the required employer contribution. CalPERS investment earnings for the past six years are reflected in Table 1 below.

FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
8.6%	6.7%	4.7%	21.3%	(6.1%)	5.8%

(www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf)

There are two primary costs for pensions – the “normal cost”, which is the annual cost for the current year of service and the “unfunded liability”. For FY 2024-25, the projected normal cost to be paid by the City for employee retirement will increase 13.26 percent and 8 percent of payroll for Classic and PEPRA plans, respectively, with employees paying 1.5 percent of this cost. The City also pays a fixed annual amount for the Unfunded Actuarial Liability (UAL) of current employees, as well as past fire and police employees. Table 2 below shows the CalPERS normal costs and unfunded liability assessments for FY 2023-24 and FY 2024-25:

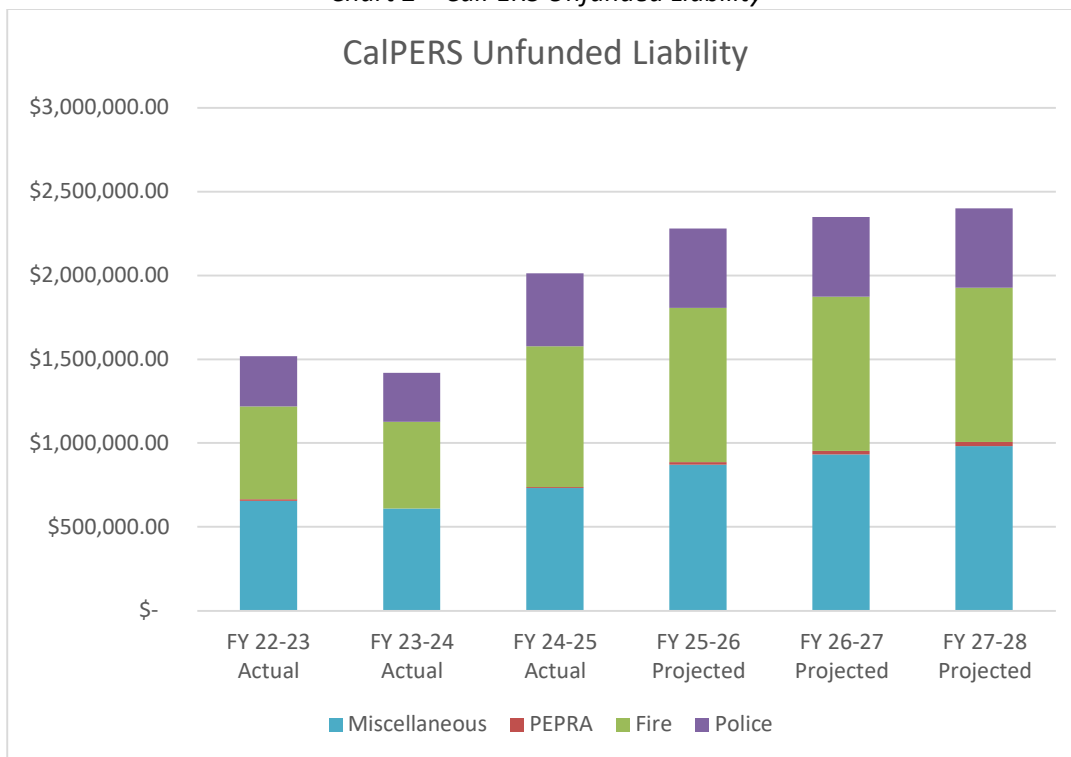
Table 2 - CalPERS Normal Costs and Unfunded Liability Assessments for FY 2023-24 and FY 2024-25

CalPERS Costs	FY 2023-24	FY 2024-25	Change
Annual Costs (Normal Costs)			
Classic Member Rate	13.26%	13.31%	0.05%
PEPRA Member Rate	8.00%	8.18%	0.18%
Unfunded Liability Assessments			
UAL Classic Member	\$ 609,615	\$ 731,634	\$ 122,019
UAL PEPRA Member	\$ -	\$ 6,703	\$ 6,703
UAL Safety Fire	\$ 516,454	\$ 838,381	\$ 321,927
UAL Safety Police	\$ 292,250	\$ 435,035	\$ 142,785
Total	\$ 1,418,319	\$ 2,011,753	\$ 593,434

Based on CalPERS investment earnings and other policy changes, all California cities that are members of CalPERS are experiencing increased volatility in unfunded liabilities. As seen in the graph below, annual costs increase from \$1.4 million in FY 2023-24 to \$2.0 million in FY 2024-25. Based on Annual Valuation Report as of June 30, 2023, it is established that the unfunded accrued liability increases for next several years.

EXPENSES (APPROPRIATIONS) SUMMARY

Chart 2 – CalPERS Unfunded Liability



While State law and CalPERS control much of the pension regulations and costs, there are a few options available to cities to work toward pension cost stabilization.

Employee Health Insurance: Health insurance premiums for FY 2024-25 are expected to increase by approximately 4 percent, or approximately \$50,101. It is important to note that the City does not offer medical benefits to employees upon retirement, therefore it does not have any outstanding liability for former employees.

Insurance Assessments: The City has been a member of the Redwood Empire Municipal Insurance Fund (REMIF) a self-insured joint powers authority – JPA (governmental entity) which was established in 1976 to handle the insurance claims, benefit programs, and risk management needs of fifteen (15) member cities. In 2021, REMIF merged with a larger California based JPA, PARSAC, to become the California intergovernmental Risk Authority (CIRA). Over the past couple of years, costs for liability insurance has been escalating for the public entity sector. The hard liability market is driven by unexpectedly high jury verdicts, settlements, and defense costs for law enforcement and dangerous (fire related) conditions claims. As a result, underwriting standards have tightened, and carriers are offering lower limits while significantly increasing costs. In addition, many insurance carriers are leaving the state – leaving the capacity available to CIRA significantly reduced (with increased prices). For property, the wildfires and natural disasters have done the same – many insurers simply want nothing to do with California. However, with the merger, CIRA was able to secure coverage (strength in numbers). Costs for property and liability insurance remained relatively stable for FY 2024-25, increasing a little over four percent.

Debt Service: The City's only debt service was for the 2008 Clean Renewable Energy Bonds (CREB) that were used for photovoltaic (solar) projects at the Police Station and Corporation Yard. The obligation was

EXPENSES (APPROPRIATIONS) SUMMARY

a lease agreement with Municipal Finance Corporation in the amount of \$1,156,000 entered into on July 10, 2008. Principal installments of \$41,749 are made on December 15 of each year, with the final installment paid on December 15, 2024.

Program-Based Budget Modifications and One-time Expenditures: In addition to these global changes, there are program-based budget modifications proposed for the operating departments. The one-time expenditures are summarized in the City Manager's Message, and above and are also detailed in the department pages that follow this section.

GENERAL FUND AND WATER RESERVES

In 2019, the City Council updated the City’s Financial Reserve Policy to maintain stable reserve levels for the General Fund and formalized reserve policies for the Water Fund. Below is the updated policy which contains reserve parameters for the General Fund. The Water Fund Reserve policy is at the end of this section. The City recently adopted a formal Water Reserve policy and the Water Utility Fund is building reserves to comply with these best practices.

BACKGROUND

Comprehensive reserves are a vital component of a sound financial plan for both the City’s General Fund and the City’s Water Utility Fund. Strong reserves position an organization to weather significant economic downturns more effectively, alleviate the consequences of outside agencies actions that may result in revenue reductions, and help to manage unexpected emergencies, such as natural disasters, catastrophic events, or excessive liabilities or legal judgements against the organization.

Fiscal stability is an important factor to any City. It is Council’s responsibility to provide for the continuation of services in the event of natural or fiscal emergency. Realizing that city revenues are not stable and are dependent upon national, state and local economic trends, it is prudent for the City of Sonoma to have a “Financial Reserve Policy” in place to address any downturns that would affect the city revenues.

The City of Sonoma endeavors to maintain adequate reserves for its General Fund and Water Utilities Fund, as a matter of fiscal prudence and sound financial management. These policies will guide the City in:

- Planning for economic uncertainties, downturns in the local or national economy, local disasters or catastrophic events;
- Maintaining good standing with credit rating agencies;
- Future debt or capital obligations
- Ensuring cash availability when revenue is unavailable
- Deciding when to use reserves and how to replenish reserves if they have been spent.

Per current Government Accounting Standards Board Statement No. 54, (“GASB” 54), fund balances are divided into five (5) categories in the financial statements:

CATEGORY	DESCRIPTION
Non-Spendable	Cannot be readily converted to cash or is not legally spendable (example: assets required to be maintained intact)
Restricted	Externally imposed restrictions on spending (creditors, granting agencies, or laws)
Committed	City Council formally imposed restrictions on spending (by resolution or other action)
Assigned	Funds reserved by City Council direction of City for designated purposes
Unassigned	Residual balance not classified in any of the above categories and available for expenditure

Cities often create different reserves within these classifications to set aside funds for specific purposes. For purposes of this document, the City’s General Fund reserve will include the sum of the Committed, Assigned, and Unassigned Fund Balances for that fund.

To mitigate these financial challenges, three separate General Fund reserves and three separate Water Utility Fund reserves are established as set forth below.

GENERAL FUND RESERVES

GENERAL FUND			
Reserves	Description	Calculation	GASB Categorization
General Fund Operating Reserve	Provide funding to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.	Two (2) months annual operating expenditures (17% of annual operating expenditures)	Committed
General Fund Emergency Reserve	Provide operating and/or repair funds in the event of a local disaster or catastrophic event.	Base amount of \$1,500,000	Committed
General Fund Special Projects Reserve	To segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to: <ul style="list-style-type: none"> ▪ Capital improvement projects of any type ▪ Surveys, studies and analyses of both operating and capital needs ▪ Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans) ▪ Temporary service programs (for example, a limited-duration code or traffic enforcement effort). 	No dedicated funding; based on Council direction and financial resources	Committed or Assigned
General Fund Unassigned Reserve	Residual balance not classified in any of the above categories and available for expenditure	Residual General Fund balance not classified above and available for expenditure	Unassigned

General Fund Operating Reserve

The purpose of the General Fund Operating Reserve is to provide sufficient cash flow and to provide breathing room for the City to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

The Government Finance Officers Association (GFOA) maintains a best practice for general fund reserves. While the level of reserves should be assessed on a City's unique circumstances or risk levels, the recommended best practice is to keep at least two months of operating expenditures or minimum of 15% reserves.

The General Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for "buys of opportunity" or similar circumstances, usually involving the purchase of property. The General Fund Operating Reserve is distinguished from the General Fund Emergency Disaster/Reserve, from any reserves that may be assigned for specific purposes, and from unassigned fund balance and shall be reported separately on the balance sheet.

Under "GASB 54" the General Fund Operating Reserve will also be categorized in the City's financial statements as *Committed* fund balance.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Operating Reserve of 17% of annual General Fund expenditures, (equal to two month of annual operating expenditures), which is available for appropriation for financial hardships or to provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

Process for the Use of the General Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the General Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the General Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Assistant City Manager and Department Heads) would evaluate affected revenues and programs and make recommendations regarding any reduced service levels and/or any other solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the General Fund Operating Reserve in the event of financial adversity will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the General Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Should the Council opt not to draw on the Operating Reserve or should the financial hardship exceed the available reserve funds, the City Council may direct that funding be augmented through the following options:

- Inter-fund Financing Transfer;
- External/Third-Party Financing;
- Immediate spending freeze; and/or
- Other financing options available at the point of need.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Operating Reserve below its policy-mandated 17% level and this shall be by a simple majority vote of the City Council.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Operating Reserve below 17%, the next budget cycle should include a plan for how the General Fund Operating Reserve will be restored to the required 17% reserve level within a reasonable time.

General Fund Emergency Reserve

The purpose of the City of Sonoma's General Fund Emergency Reserve is to provide operating and/or repair funds in the event of a local disaster or catastrophic event.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Emergency Reserve of \$1.5 million, which is available for appropriation to respond to local disasters or catastrophic events, whether natural or man-made.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Emergency Reserve below its policy-mandated \$1.5 million level, and this shall be by a simple majority vote of the City Council. These appropriations should be made only in response to significant events such as, (but not limited to), natural disasters, declared emergencies or catastrophic events.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Emergency Reserve below \$1.5 million, the next budget cycle should include a plan for how the General Fund Emergency Reserve will be restored to the required \$1.5 million reserve level within a reasonable time.

In case of emergencies falling under the purview of the City of Sonoma Municipal Code Section 2.36, purchases authorized by the Director of Emergency Services under Section 2.36.060 (b) may cause the balance in the General Fund Emergency Reserve to fall below the required \$1.5 million level.

Under "GASB 54" the General Fund Emergency Reserve will be categorized in the City's financial statements as *Committed* fund balance.

General Fund Special Projects Reserve

The City of Sonoma shall establish a General Fund Special Projects Reserve which is made up of unassigned fund balance in the General Fund. The purposes of the General Fund Special Projects Reserve are 1) to segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to:

- Capital improvement projects of any type
- Surveys, studies and analyses of both operating and capital needs
- Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans)
- Temporary service programs (for example, a limited- duration code or traffic enforcement effort).

Approval of any appropriation from the General Fund Special Projects Reserve shall be by a simple majority vote of the City Council.

Under “GASB 54”, the General Fund Special Projects Reserve will be categorized in the City’s financial statements as either Assigned, if the funds are reserved by City Council direction or the City Manager for designated purposes; or Committed or Assigned, if the funds are approved in the annual budget process.

General Fund Inter-Fund Financing

The City of Sonoma maintains additional funds outside the General Fund, which may be utilized to provide interim financing to the General Fund in the event of financial adversity. Financing levels of the inter-fund loan shall not exceed 50% of the available fund balance and shall be documented by an established repayment schedule, including interest accrued on the loan using the quarterly Local Agency Investment Fund (“LAIF”) interest rate earned by the City on its idle cash, approved by the City Council based on the recommendation of staff.

The staff recommendation shall include a certification that the fund from which the cash is to be borrowed shall not need these dollars during the repayment period to meet City obligations, based upon fund financial projections and based upon legal requirements. Repayment of these loans shall become the priority in future budgeting cycles.

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RESERVE SUMMARY

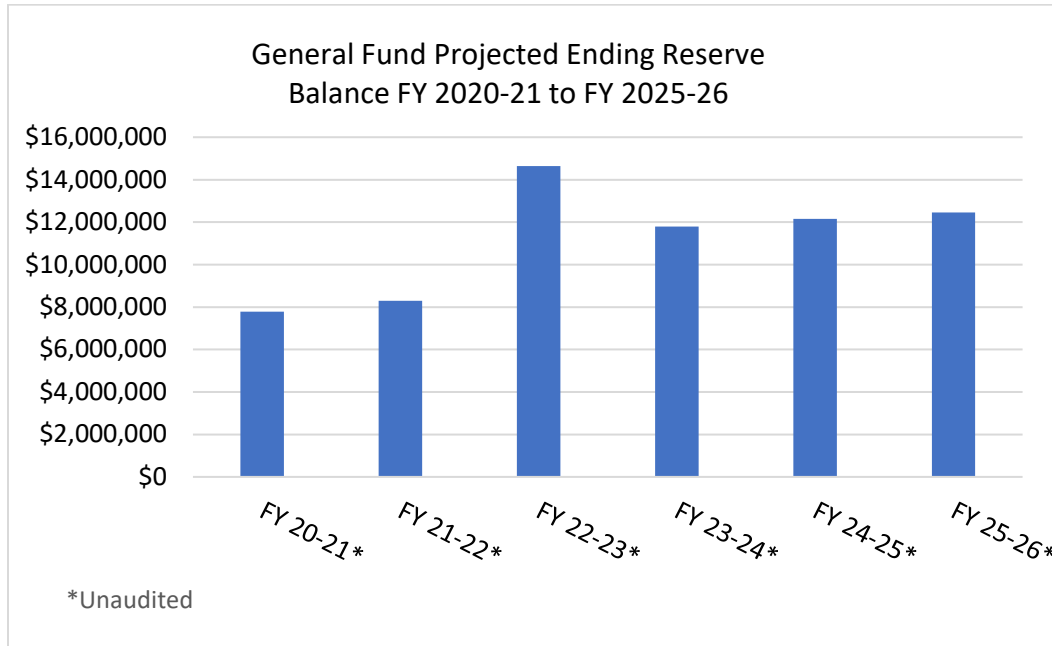
CURRENT RESERVES

The chart below shows an estimate of current reserves based on the City Council's General Fund Reserve Policy.

GENERAL FUND RESERVE SUMMARY - (PROJECTED - UNAUDITED)	FY 2023-24 (Unaudited)	FY 2024-25 Budget
Beginning General Fund Reserve	\$ 15,155,983	\$ 15,410,039
Net Income (Loss)	\$ 254,056	\$ (2,856,287)
Ending Total General Fund Reserve	\$ 15,410,039	\$ 12,553,752
Committed General Fund Reserve Balance		
(Formally Imposed by Resolution or Other Actions)		
Non-Spendable - Prepaid Item	\$ 9,081	\$ 9,081
Committed for Operating Reserve (17% of General Fund Budgeted Expenditures)	\$ 4,312,467	\$ 4,610,163
Committed for Emergency Reserve	\$ 1,500,000	\$ 1,500,000
Committed For Special Projects - if already budgeted not included as committed		
Assigned General Fund Reserve Balance	\$ 150,850	\$ 150,850
Total Committed General Fund Reserve Balance	\$ 5,972,398	\$ 6,270,094
Fiscal Year Ending General Fund Only Reserve Balance	\$ 9,437,642	\$ 6,283,658
Committed for One-time Special Projects: These are included in Budgeted Expense		
Municipal Code Migration	\$ 6,950	
Polling - Revenue Initiatives	\$ 30,000	
Temporary Office Trailer	\$ 50,000	
Solar APP+ Implementation (Grant Funded)	\$ 40,000	
Meeting Room Update (Carryover FY 23-24)		\$ 11,820
Citywide User Fee Study/Cost Allocation Plan (Carryover FY 23-24)		\$ 75,000
General Plan Update (Carryover FY23-24)		\$ 422,366
Docusign (Carryover FY23-24)		\$ 4,640
Netfile Ethics (Carryover FY23-24)		\$ 1,800
OpenGov Document Management (Carryover FY23-24)		\$ 3,938
Laserfische Cloud Enterprise Content Management System (Carryover FY23-24)		\$ 89,325
Total Committed and Budgeted for One-Time Special Projects	\$ 126,950	\$ 608,889
Assigned General Fund Reserve Balance		
(Funds Reserved by Council Direction or City Manager for Designated Purposes)		
EMS Equipment Replacement	\$ 225,000	\$ -
General Plan Reserve	\$ -	\$ -
Total Assigned General Fund Reserve Balance	\$ 225,000	\$ -
Total Unrestricted/Undesignated General Fund Reserve Balance	\$ 9,085,692	\$ 5,674,769
Beginning Total General Fund Balance	\$ 15,155,983	\$ 15,410,039
Net Income/(Loss)	\$ 254,056	\$ (2,856,287)
Ending Total General Fund Balance	\$ 15,410,039	\$ 12,553,752

PROJECTED GENERAL FUND ENDING RESERVE BALANCES

Following is chart showing an estimate of projected General Fund Ending Reserve balances based on the General Fund 5-Year Long Range Forecast.



WATER UTILITY FUND RESERVES

It is the City Council’s responsibility to provide for the continuation of water utility services in the event of a natural or fiscal emergency, therefore fiscal stability is vital for the City’s Water Utility Fund. In 2018, the City updated its water rates and conducted a comprehensive review of the City’s Water Utility financial plan, user classifications, and various rate structures to help ensure the City will continue to provide high quality, dependable water service to the community while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. In keeping with sound financial policies three separate Water Utility Fund reserves were established, as outlined below:

Water Utility Fund Reserves			
Reserves	Description	Calculation	GASB Categorization
Water Utility Fund Operating Reserve	Provide cash flow to support the operation, maintenance and administration of the City’s Water Utility Fund to cover any significant unanticipated or mandated expenditures.	Two (2) months of annual expenditures (17%)	Committed

<p>Water Utility Capital Reserve</p>	<p>To cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.</p>	<p>Annual average of CIP expenditures (averaged over the next five years)</p>	<p>Committed</p>
<p>Water Utility Fund Rate Stabilization Reserve</p>	<p>To be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases.</p>	<p>10% of annual Volumetric Charge revenue, increasing by 1% every year until it reaches 15% of annual Volumetric Charge revenue</p>	<p>Committed</p>

Water Utility Fund Operating Reserve

The purpose of the Water Utility Fund Operating Reserve is to provide working capital to support the operation, maintenance, and administration of the City’s Utility Fund, ensuring that cash flow needs of normal operations are met.

Beginning with fiscal year 2018/19, the City shall establish and maintain an Operating Reserve target level equal to two months or 17% of operating and maintenance expenditures.

The Water Utility Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for “buys of opportunity” or similar circumstances, usually involving the purchase of property. The Water Utility Fund Operating Reserve is distinguished from any reserves that may be assigned for specific purposes and from unassigned fund balance and shall be reported separately on the balance sheet.

Under “GASB 54” the Water Utility Fund Operating Reserve will be categorized in the City’s financial statements as Committed fund balance.

Process for the Use of the Water Utility Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the Water Utility Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the Water Utility Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Public Works Director and Department Heads) would evaluate affected revenues and programs and make recommendations regarding solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the Water Utility Fund Operating Reserve in the event of financial adversity will be by direction of

the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Water Utility Fund Capital Reserve

The purpose of the Water Utility Fund Capital Reserve is to cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.

Beginning with Fiscal Year 2018/19 the City shall establish and maintain a Water Utility Fund Capital Reserve of annual average CIP expenditures (averaged over the next five years). The Capital Reserve target levels do not include the debt funded CIP projects.

Use of the Water Utility Fund Capital Reserve in the event of any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Capital Reserve, it shall be a high priority for the City to establish a plan to reimburse the Water Utility fund Capital Reserve as soon as fiscally possible.

Under "GASB 54" the Water Utility Fund Capital Reserve will also be categorized in the City's financial statements as Committed fund balance.

Water Utility Fund Rate Stabilization Reserve

The Water Utility Fund Rate Stabilization Reserve is to be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases. Beginning in Fiscal Year 2018/19 the Water Utility Rate Stabilization Reserve target level is 11% of annual Volumetric Charge revenue. The Water Utility Rate Stabilization Reserve will be increase by 1% every year, until it reaches a targeted 15% percent of annual Volumetric Charge revenue.

Use of the Water Utility Fund Rate Stabilization Reserve during periods of short-term revenue shortages caused by economic recession, drought, or other reasons, will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever transfers are made from the Water Utility Fund Rate Stabilization Reserve, it shall be a high priority for the City to reimburse the Reserve as soon as fiscally possible.

Under "GASB 54" the Water Utility Fund Rate Stabilization Reserve will also be categorized in the City's financial statements as Committed fund balance.

City of Sonoma

RESOLUTION # 07 - 2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA APPROVING SONOMA FINANCIAL RESERVE POLICY

WHEREAS, financially stable organizations must have appropriate reserves. Strong reserves position an organization to weather significant economic downturns more effectively, manage the consequences of outside agencies actions that may result in revenue reductions, and address unexpected emergencies, such as natural disasters, catastrophic events caused by human activity, or excessive liabilities or legal judgments against the organization; and,

WHEREAS, the City of Sonoma's Reserve Policy was last reviewed and updated by the City Council in 2006; and,

WHEREAS, in February 2009, the Government Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). The objective of the Statement was to improve the usefulness, including understandability, of governmental fund balance information. It provided more clearly defined categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. It also clarified the governmental fund type definition to improve comparability of governmental fund financial statements and help financial statement users better understand the purposes for which governments have chosen particular funds for reporting; and,

WHEREAS, it is necessary to update the City's Reserve Policy to make it more comprehensive, current and reflecting of best practices of cities; and,

WHEREAS, the City currently has three reserve policies that are maintained in the General Fund – the Operating Reserve, the Emergency Reserve, and the Special Projects Reserve; and,

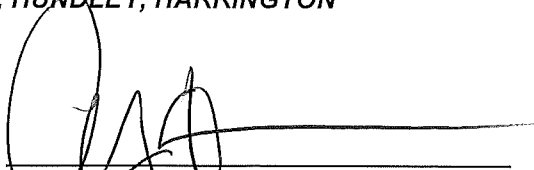
WHEREAS, in 2018, the City updated its water rates and conducted a comprehensive review of the City's Water Utility financial plan, user classifications, and various rate structures to help ensure the City will continue to provide high quality, dependable water service to the community while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. In keeping with sound financial policies three separate Water Utility Fund reserves were established – Water Utility Fund Operating Reserve, Water Utility Capital Reserve, and Water Utility Fund Rate Stabilization Reserve; and,

WHEREAS, on August 20, 2018, at a study session with City Council, staff presented an overview of the City of Sonoma's current General Fund Reserve Policy with recommendations for several updates and changes to the policy. During the study session, Council directed staff to complete a fiscal analysis of the City's General Fund to determine how the most recent recession affected City finances and its major revenue sources, (Property Tax, Sales Tax, Sales Tax Measure M, and Transient Occupancy Tax, (TOT). Staff also agreed to do further analysis comparing Sonoma's reserve policies to best practices, industry guidelines, and other cities.


NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sonoma that the Sonoma Financial Reserve Policy (Exhibit A) is hereby approved.

PASSED, APPROVED AND ADOPTED this 4th day of March 2019, by the following vote:

- AYES: **AGRIMONTI, COOK, HARVEY, HUNDLEY, HARRINGTON**
- NOES:
- ABSENT:
- ABSTAIN:



 Amy Harrington, Mayor

ATTEST:


 Rebekah Barr, MMC, City Clerk



DRAFT

CITY OF SONOMA FINANCIAL RESERVE POLICIES

BACKGROUND

Comprehensive reserves are a vital component of a sound financial plan for both the City and the City's Water Utility Fund. Strong reserves position an organization to weather significant economic downturns more effectively, manage the consequences of outside agencies actions that may result in revenue reductions, and address unexpected emergencies, such as natural disasters, catastrophic events, or excessive liabilities or legal judgements against the organization.

Fiscal stability is an important factor to any City. It is Council's responsibility to provide for the continuation of services in the event of natural or fiscal emergency. Realizing that city revenues are not stable and are dependent upon national, state and local economic trends, it is prudent for the City of Sonoma to have a "Financial Reserve Policy" in place to address any downturns that would affect the city revenues.

The City of Sonoma endeavors to maintain adequate reserves for its General Fund and Water Utilities Fund, as a matter of fiscal prudence and sound financial management. These policies will guide the City in:

- Planning for economic uncertainties, downturns in the local or national economy, local disasters or catastrophic events;
- Maintaining good standing with credit rating agencies;
- Future debt or capital obligations
- Ensuring cash availability when revenue is unavailable
- Deciding when to use reserves and how to replenish reserves if they have been spent.

Per current Government Accounting Standards Board Statement No. 54, ("GASB" 54), fund balances are divided into five (5) categories in the financial statements:

CATEGORY	DESCRIPTION
Non-Spendable	Cannot be readily converted to cash or is not legally spendable (example: assets required to be maintained intact)
Restricted	Externally imposed restrictions on spending (creditors, granting agencies, or laws)
Committed	City Council formally imposed restrictions on spending (by resolution or other action)
Assigned	Funds reserved by City Council direction of City for designated purposes
Unassigned	Residual balance not classified in any of the above categories and available for expenditure

Cities often create different reserves within these classifications to set aside funds for specific purposes. For purposes of this document, the City’s General Fund reserve will include the sum of the Committed, Assigned, and Unassigned Fund Balances for that fund.

To mitigate these financial challenges, three separate General Fund reserves and three separate Water Utility Fund reserves are established as set forth below.

GENERAL FUND RESERVES

GENERAL FUND			
Reserves	Description	Calculation	GASB Categorization
General Fund Operating Reserve	Provide funding to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.	Two (2) months annual operating expenditures (17% of annual operating expenditures)	Committed
General Fund Emergency Reserve	Provide operating and/or repair funds in the event of a local disaster or catastrophic event.	Base amount of \$1,500,000	Committed
General Fund Special Projects Reserve	To segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to: <ul style="list-style-type: none"> ▪ · Capital improvement projects of any type ▪ · Surveys, studies and analyses of both operating and capital needs ▪ · Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans) ▪ · Temporary service programs (for example, a limited-duration code or traffic enforcement effort). 	No dedicated funding; based on Council direction and financial resources	Committed or Assigned
General Fund Unassigned Reserve	Residual balance not classified in any of the above categories and available for expenditure	Residual General Fund balance not classified above and available for expenditure	Unassigned

General Fund Operating Reserve

The purpose of the General Fund Operating Reserve is to provide sufficient cash flow and to provide breathing room for the City to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

The Government Finance Officers Association (GFOA) maintains a best practice for general fund reserves. While the level of reserves should be assessed on a City's unique circumstances or risk levels, the recommended best practice is to keep at least two months of operating expenditures or minimum of 15% reserves.

The General Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for "buys of opportunity" or similar circumstances, usually involving the purchase of property. The General Fund Operating Reserve is distinguished from the General Fund Emergency Disaster/Reserve, from any reserves that may be assigned for specific purposes, and from unassigned fund balance and shall be reported separately on the balance sheet.

Under "GASB 54" the General Fund Operating Reserve will also be categorized in the City's financial statements as *Committed* fund balance.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Operating Reserve of 17% of annual General Fund expenditures, (equal to two month of annual operating expenditures), which is available for appropriation for financial hardships or to provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

Process for the Use of the General Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the General Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the General Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Assistant City Manager and Department Heads) would evaluate affected revenues and programs and make recommendations regarding any reduced service levels and/or any other solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the General Fund Operating Reserve in the event of financial adversity will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the General Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Should the Council opt not to draw on the Operating Reserve or should the financial hardship exceed the

available reserve funds, the City Council may direct that funding be augmented through the following options:

- Inter-fund Financing Transfer;
- External/Third-Party Financing;
- Immediate spending freeze; and/or
- Other financing options available at the point of need.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Operating Reserve below its policy-mandated 17% level and this shall be by a simple majority vote of the City Council.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Operating Reserve below 17%, the next budget cycle should include a plan for how the General Fund Operating Reserve will be restored to the required 17% reserve level within a reasonable time.

General Fund Emergency Reserve

The purpose of the City of Sonoma's General Fund Emergency Reserve is to provide operating and/or repair funds in the event of a local disaster or catastrophic event.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Emergency Reserve of \$1.5 million, which is available for appropriation to respond to local disasters or catastrophic events, whether natural or man-made.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Emergency Reserve below its policy-mandated \$1.5 million level and this shall be by a simple majority vote of the City Council. These appropriations should be made only in response to significant events such as, (but not limited to), natural disasters, declared emergencies or catastrophic events.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Emergency Reserve below \$1.5 million, the next budget cycle should include a plan for how the General Fund Emergency Reserve will be restored to the required \$1.5 million reserve level within a reasonable time.

In case of emergencies falling under the purview of the City of Sonoma Municipal Code Section 2.36, purchases authorized by the Director of Emergency Services under Section 2.36.060 (b) may cause the balance in the General Fund Emergency Reserve to fall below the required \$1.5 million level.

Under "GASB 54" the General Fund Emergency Reserve will be categorized in the City's financial statements as *Committed* fund balance.

General Fund Special Projects Reserve

The City of Sonoma shall establish a General Fund Special Projects Reserve which is made up of unassigned fund balance in the General Fund. The purposes of the General Fund Special Projects Reserve are 1) to segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to:

- Capital improvement projects of any type
- Surveys, studies and analyses of both operating and capital needs
- Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans)
- Temporary service programs (for example, a limited- duration code or traffic enforcement effort).

Approval of any appropriation from the General Fund Special Projects Reserve shall be by a simple majority vote of the City Council.

Under “GASB 54”, the General Fund Special Projects Reserve will be categorized in the City’s financial statements as either Assigned, if the funds are reserved by City Council direction or the City Manager for designated purposes; or Committed or Assigned, if the funds are approved in the annual budget process.

General Fund Inter-Fund Financing

The City of Sonoma maintains additional funds outside the General Fund, which may be utilized to provide interim financing to the General Fund in the event of financial adversity. Financing levels of the inter-fund loan shall not exceed 50% of the available fund balance and shall be documented by an established repayment schedule, including interest accrued on the loan using the quarterly Local Agency Investment Fund (“LAIF”) interest rate earned by the City on its idle cash, approved by the City Council based on the recommendation of staff.

The staff recommendation shall include a certification that the fund from which the cash is to be borrowed shall not need these dollars during the repayment period to meet City obligations, based upon fund financial projections and based upon legal requirements. Repayment of these loans shall become the priority in future budgeting cycles.

WATER UTILITY FUND RESERVES

It is the City Council’s responsibility to provide for the continuation of water utility services in the event of a natural or fiscal emergency, therefore fiscal stability is vital for the City’s Water Utility Fund. In 2018, the City updated its water rates and conducted a comprehensive review of the City’s Water Utility financial plan, user classifications, and various rate structures to help ensure the City will continue to provide high quality, dependable water service to the community while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. In keeping with sound financial policies three separate Water Utility Fund reserves were established, as outlined below:

Water Utility Fund Reserves			
Reserves	Description	Calculation	GASB Categorization
Water Utility Fund Operating Reserve	Provide cash flow to support the operation, maintenance and administration of the City’s Water Utility Fund to cover any significant unanticipated or mandated expenditures.	Two (2) months of annual expenditures (17%)	Committed

Water Utility Capital Reserve	To cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.	Annual average of CIP expenditures (averaged over the next five years)	Committed
Water Utility Fund Rate Stabilization Reserve	To be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases.	10% of annual Volumetric Charge revenue, increasing by 1% every year until it reaches 15% of annual Volumetric Charge revenue	Committed

Water Utility Fund Operating Reserve

The purpose of the Water Utility Fund Operating Reserve is to provide working capital to support the operation, maintenance and administration of the City’s Utility Fund, ensuring that cash flow needs of normal operations are met.

Beginning with fiscal year 2018/19, the City shall establish and maintain an Operating Reserve target level equal to two months or 17% of operating and maintenance expenditures.

The Water Utility Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for “buys of opportunity” or similar circumstances, usually involving the purchase of property. The Water Utility Fund Operating Reserve is distinguished from any reserves that may be assigned for specific purposes and from unassigned fund balance and shall be reported separately on the balance sheet.

Under “GASB 54” the Water Utility Fund Operating Reserve will be categorized in the City’s financial statements as Committed fund balance.

Process for the Use of the Water Utility Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the Water Utility Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the Water Utility Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Public Works Director and Department Heads) would evaluate affected revenues and programs and make recommendations regarding solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the Water Utility Fund Operating Reserve in the event of financial adversity will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Water Utility Fund Capital Reserve

The purpose of the Water Utility Fund Capital Reserve is to cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.

Beginning with Fiscal Year 2018/19 the City shall establish and maintain a Water Utility Fund Capital Reserve of annual average CIP expenditures (averaged over the next five years). The Capital Reserve target levels do not include the debt funded CIP projects.

Use of the Water Utility Fund Capital Reserve in the event of any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Capital Reserve, it shall be a high priority for the City to establish a plan to reimburse the Water Utility fund Capital Reserve as soon as fiscally possible.

Under "GASB 54" the Water Utility Fund Capital Reserve will also be categorized in the City's financial statements as Committed fund balance.

Water Utility Fund Rate Stabilization Reserve

The Water Utility Fund Rate Stabilization Reserve is to be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases. Beginning in Fiscal Year 2018/19 the Water Utility Rate Stabilization Reserve target level is 11% of annual Volumetric Charge revenue. The Water Utility Rate Stabilization Reserve will be increase by 1% every year, until it reaches a targeted 15% percent of annual Volumetric Charge revenue.

Use of the Water Utility Fund Rate Stabilization Reserve during periods of short-term revenue shortages caused by economic recession, drought, or other reasons, will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever transfers are made from the Water Utility Fund Rate Stabilization Reserve, it shall be a high priority for the City to reimburse the Reserve as soon as fiscally possible.

Under "GASB 54" the Water Utility Fund Rate Stabilization Reserve will also be categorized in the City's financial statements as Committed fund balance.

TRANSFERS BETWEEN FUNDS

The City has two types of permanent transfers, which can be either interfund transfers or administrative transfers.

Interfund Transfers

Interfund Transfers are monies transferred between different funds, such as the General Fund to a CIP fund. Transfer monies tracked in the City's general ledger in separate accounts for each fund. The budget contains interfund transfers for such items as construction projects and debt payments. Only the City Council has the authority to increase total appropriations, subject to the appropriation limitations set by state law.

Administrative Transfers

Administrative Transfers are transfers within a fund. The City Manager is authorized to transfer an unlimited amount of appropriations within any fund so long as the total appropriations for that fund are not increased.

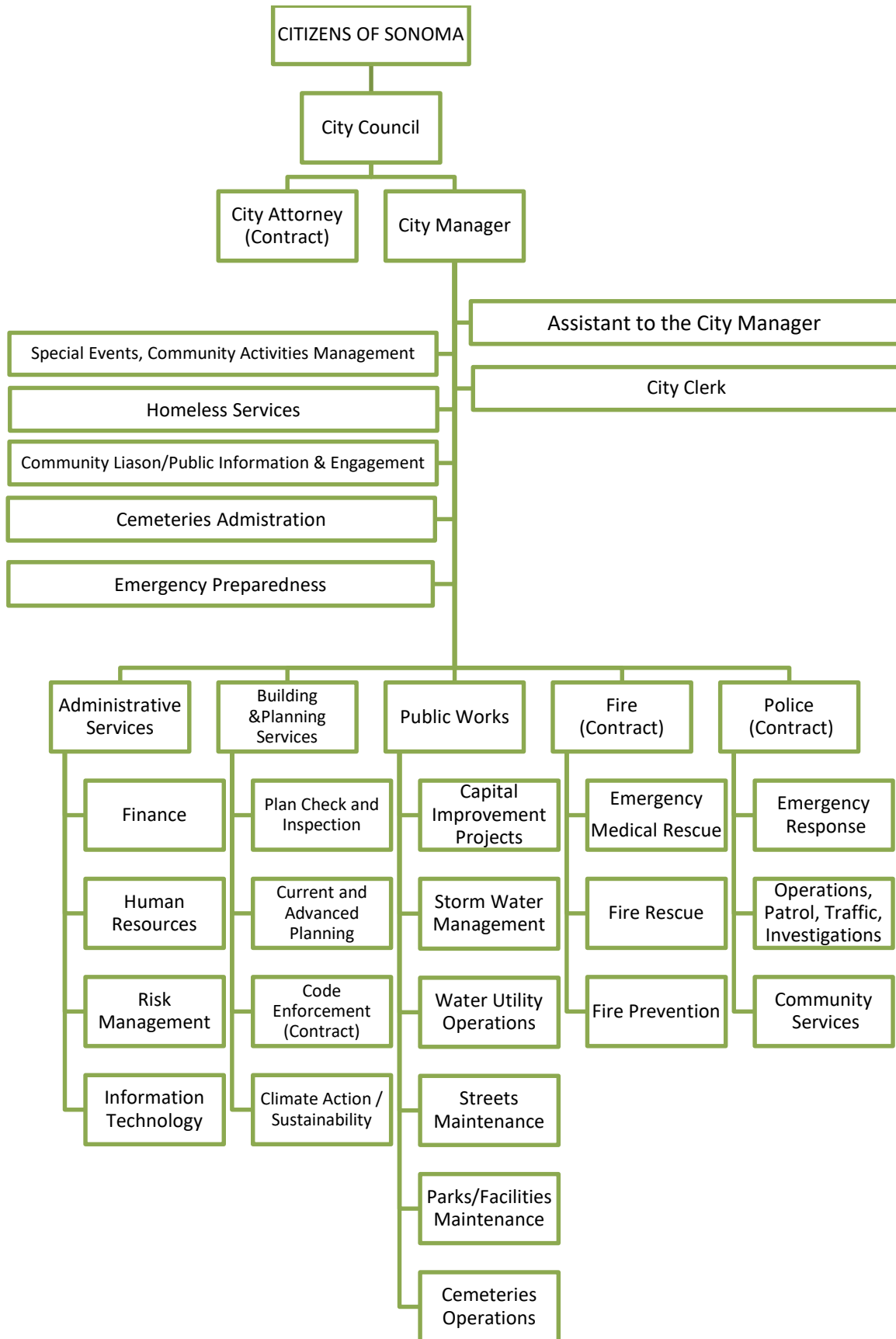
The following spreadsheet details the current year budgeted interfund transfers.

TRANSFERS BETWEEN FUNDS

FISCAL YEAR 2024-25

From	From	Amount	To	To	Amount	Description
100	General Fund	\$ 20,000	304	Parks & Facilities CIP	\$ 20,000	P-12 Sonoma Oaks Playground Design
100	General Fund	\$ 50,000	304	Parks & Facilities CIP	\$ 50,000	P-8 Olsen Park Improvement Project
100	General Fund	\$ 50,000	301	City CIP	\$ 50,000	CD-7 Storm Drain System Condition Rating
100	General Fund	\$ 60,000	301	City CIP	\$ 60,000	CD-3 Broadway & Leveroni Flood Reduction & Trash Capture
100	General Fund	\$ 200,000	301	City CIP	\$ 200,000	T-6 Citywide Roadway Safety Improvement Projects
201	SLESF Cops Grant	\$ 100,000	100	General Fund	\$ 100,000	Transfer from COPS
715	Pool Scholarship	\$ 25,000	100	General Fund	\$ 25,000	Scholarship Funding for New Pool at High School
510	Water Fund	\$ 41,923	100	General Fund	\$ 41,923	Lease Access Road Water Tank
510	Water Fund	\$ 41,923	100	General Fund	\$ 41,923	Lease Norrbom Road Water Tank
510	Water Fund	\$ 561,257	100	General Fund	\$ 561,257	Based on Matrix Cost Allocation Plan
		<u>\$ 1,150,103</u>			<u>\$ 1,150,103</u>	

City Organization Chart (by function)

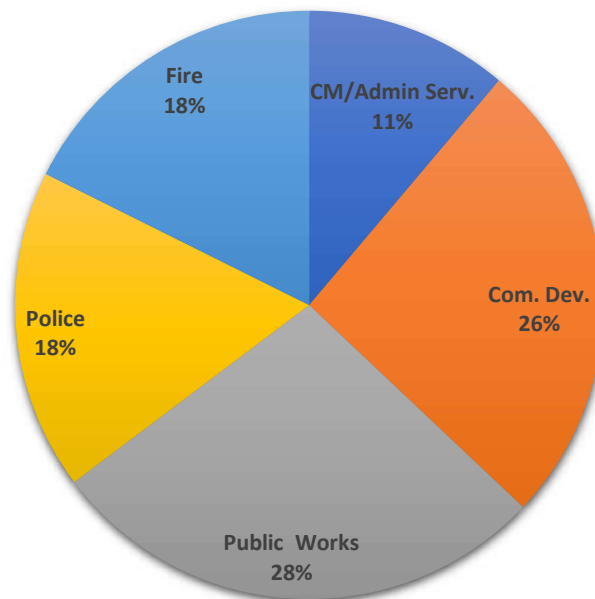


SUMMARY OF STAFFING AND POSITIONS

City of Sonoma FY2024-25 Budget Summary of Staffing – Position Allocation

Departments	Adopted Budget Authorized Personnel FY2022-23	Adopted Budget Authorized Personnel FY2023-24	Proposed Budget Authorized Personnel FY2024-25
City Manager’s Office/Administrative Services	11.00	10.00	11.00
Planning & Building (Community Development)	8.50	9.50	9.50
Non-Departmental /Community Activities	1.50	2.00	2.00
Police - Administration	1.00	1.00	1.00
Public Works	22.00	22.00	22.00
Total City Employees (FTE, includes Part Time staff)	44.00	44.50	44.50
Police (Sheriff contract staffing) ***	15	15	15
Fire (SVRA contract staffing) ****	22.52	22.52	22.52
TOTAL STAFFING:	81.52	82.02	83.02

FY 2024-25 Staffing Summary



SUMMARY OF STAFFING AND POSITIONS

City of Sonoma FY 2024/25 Budget Position Allocation Listing by Department

	Adopted Budget	Adopted Budget	Adopted Budget	Proposed Budget	Annual	Annual
	Authorized	Authorized	Authorized	Authorized	Step A	Step E
	Personnel	Personnel	Personnel	Personnel	(1 FTE)	(1 FTE)
	Adopted Budget	FY 22/23	FY 23/24	FY 24/25		
City Manager's Office/Administrative Services						
City Manager	1.00	1.00	1.00	1.00	contract	\$ 259,600.00
Assistant City Mgr/Admin Svcs Director	1.00	1.00	0.00	0.00	\$ 159,487.60	\$ 193,858.17
Finance Director	0.00	0.00	1.00	1.00	\$ 153,398.24	\$ 186,456.52
Deputy Finance Director	1.00	1.00	0.00	0.00	\$ 148,649.49	\$ 180,684.39
Assistant to the City Manager	0.00	1.00	1.00	1.00	\$ 117,448.12	\$ 142,758.93
City Clerk	1.00	1.00	1.00	1.00	\$ 117,448.12	\$ 142,758.93
Human Resources Manager	1.00	1.00	1.00	1.00	\$ 117,448.12	\$ 142,758.93
Senior Management Analyst - Community Activities	1.00	1.00	1.00	1.00	\$ 111,854.90	\$ 135,960.33
Senior Management Analyst - PIO	0.50	0.50	1.00	1.00	\$ 111,854.90	\$ 135,960.33
Cemeteries Manager		0.00	0.00	1.00	\$ 109,128.00	\$ 132,648.00
Accountant	1.00	1.00	1.00	1.00	\$ 93,311.96	\$ 113,421.27
Accounting Technician	2.00	2.00	2.00	2.00	\$ 74,110.39	\$ 90,081.64
Deputy City Clerk	0.00	0.00	1.00	1.00	\$ 81,767.68	\$ 99,389.13
Management Analyst	1.00	1.00	0.00	0.00	\$ 74,058.53	\$ 90,018.60
Administrative Assistant	2.00	1.00	1.00	1.00	\$ 67,796.30	\$ 82,406.82
	12.50	12.50	12.00	13.00		
Community Development (Planning and Building Depts)						
Community Development Director	0.00	0.00	1.00	1.00	\$ 170,280.76	\$ 206,977.33
Planning & Community Svcs Director	1.00	1.00	0.00	0.00	\$ 164,761.01	\$ 200,268.04
Development Svcs Director/ Building Official	1.00	1.00	1.00	0.00	\$ 153,398.24	\$ 186,456.52
Chief Building Official	1.00	0.00	0.00	1.00	\$ 122,720.00	\$ 152,896.18
Senior Planner	1.00	0.00	1.00	1.00	\$ 106,770.78	\$ 129,780.55
Associate Planner	1.00	2.00	1.00	1.00	\$ 103,634.91	\$ 125,968.89
Plans Examiner	1.00	1.00	1.00	1.00	\$ 102,046.24	\$ 124,037.84
Building Inspector	1.00	1.00	1.00	1.00	\$ 94,661.21	\$ 115,061.30
Development Svcs Supervisor	1.00	1.00	1.00	1.00	\$ 77,972.31	\$ 94,775.83
Administrative Assistant	1.00	0.00	1.00	1.00	\$ 67,796.30	\$ 82,406.82
Permit Technician	0.00	1.00	1.00	1.00	\$ 61,017.19	\$ 74,166.77
PT Sustainability Coordinator	0.50	0.50	0.50	0.50	\$ 87,702.32	\$ 106,602.72
	9.50	8.50	9.50	9.50		
Police and Fire (excludes contract services staff)						
Administrative Assistant (Police)	1.00	1.00	1.00	1.00	\$ 67,796.30	\$ 82,406.82
	1.00	1.00	1.00	1.00		
Public Works						
Public Works Director/City Engineer	1.00	1.00	1.00	1.00	\$ 175,436.62	\$ 213,244.31
Public Works Operations Manager	1.00	1.00	1.00	1.00	\$ 119,682.47	\$ 145,474.79
Public Works Administrative & Project Manager	1.00	1.00	1.00	1.00	\$ 101,685.80	\$ 123,599.73
Environmental Compliance Analyst	1.00	1.00	1.00	1.00	\$ 87,764.55	\$ 106,678.36
Engineering Technician	0.00	1.00	1.00	1.00	\$ 81,767.68	\$ 99,389.13
Administrative Assistant	1.00	1.00	1.00	1.00	\$ 67,796.30	\$ 82,406.82
Water Supervisor	1.00	1.00	1.00	1.00	\$ 89,766.39	\$ 109,111.61
Senior Maintenance Worker - Water	1.00	1.00	1.00	1.00	\$ 74,341.17	\$ 90,362.16
Maintenance Worker I - Water			2.00	2.00	\$ 61,438.99	\$ 74,679.48
Maintenance Worker II - Water	3.00	3.00	1.00	1.00	\$ 67,582.80	\$ 82,147.32
Streets Supervisor	1.00	1.00	1.00	1.00	\$ 85,493.04	\$ 103,917.32
Senior Maintenance Worker - Streets	0.00	0.00	1.00	1.00	\$ 74,341.17	\$ 90,362.16
Maintenance Worker I - Streets	2.00	2.00	1.00	1.00	\$ 61,438.99	\$ 74,679.48
Maintenance Worker II - Streets	2.00	2.00	2.00	2.00	\$ 67,582.80	\$ 82,147.32
Parks Supervisor	1.00	1.00	1.00	1.00	\$ 85,493.04	\$ 103,917.32
Senior Maintenance Worker - Cemeteries	1.00	1.00	1.00	1.00	\$ 74,341.17	\$ 90,362.16
Maintenance Worker I - Parks	0.00	0.00	2.00	2.00	\$ 61,438.99	\$ 74,679.48
Maintenance Worker II - Parks	3.00	3.00	2.00	2.00	\$ 67,582.80	\$ 82,147.32
Parks Worker PT (2 positions, 0.5 FTE each)	1.00	1.00	0.00	0.00	\$ 40,231.00	\$ 40,231.00
	21.00	22.00	22.00	22.00		
Total Budgeted Staffing (Full Time Equivalent)	44.00	44.00	44.50	45.50		

NOTE: Some positions are charged to multiple departments; these are listed in the department where the largest percentage is charged.

INCORPORATED

September 3, 1883

GOVERNMENT

Sonoma is a general law city operating under the Council-Manager form of government

POPULATION

Approx. 11,082

AREA

2.745 square miles

INFRASTRUCTURE AND UTILITIES

Streets: 34 miles

Bridges: 11

Bike Paths: 4 miles

Water Mains: 56 miles

Water Delivered to Customers: 600 million gallons per year

Water Meters: 4,500 active service connections

Storm Drainpipes: 40 miles

Fire Hydrants: 513

PLAZA DEDICATED AS HISTORIC LANDMARK

September 24, 1961

PARKS AND OPEN SPACE

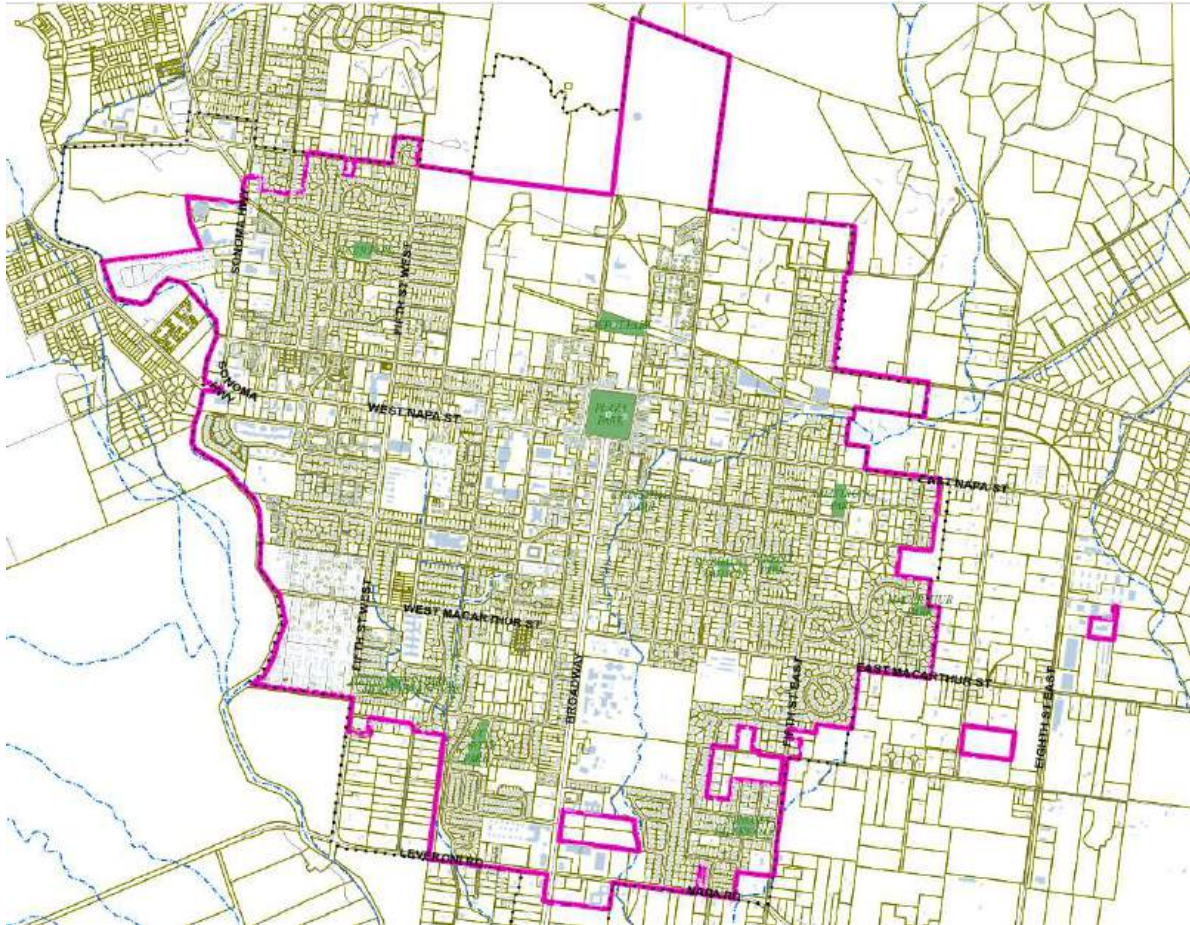
Parks: 13

Playgrounds in Parks: 9

CEMETERIES

Cemeteries: 3 encompassing 15 usable acres

CITY OF SONOMA



Sonoma County



State of California



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GENERAL FUND

GF Revenue and Expense Overview
Budget Detail Central Administration
Budget Detail Public Safety
Budget Detail Public Works
Budget Detail Community Development
Budget Detail Miscellaneous

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GENERAL FUND REVENUE AND EXPENSE OVERVIEW

**General Fund Revenues
GF Revenue and Expense by Category
General Fund Forecast Summary**

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GENERAL FUND REVENUES - FINANCIAL SUMMARY

The FY 2024-25 budget for the City of Sonoma and the Sonoma Successor Agency includes \$24,262,320 in General Fund Revenue.

GENERAL FUND REVENUE

The General Fund supports most City services such as Administration, Community Development, Public Safety including Fire and Police, Public Works, and Community Activities. For the City of Sonoma, the primary General Fund revenue sources are Property Tax, Sales Tax (General and Measure U) and Transient Occupancy Tax (TOT). Together, these sources comprise 75 percent of total General Fund revenue. Other major General Fund revenue sources include Emergency Medical Service (EMS) revenue, Fees & Charges for Services, Franchise Tax, and Business License Tax.

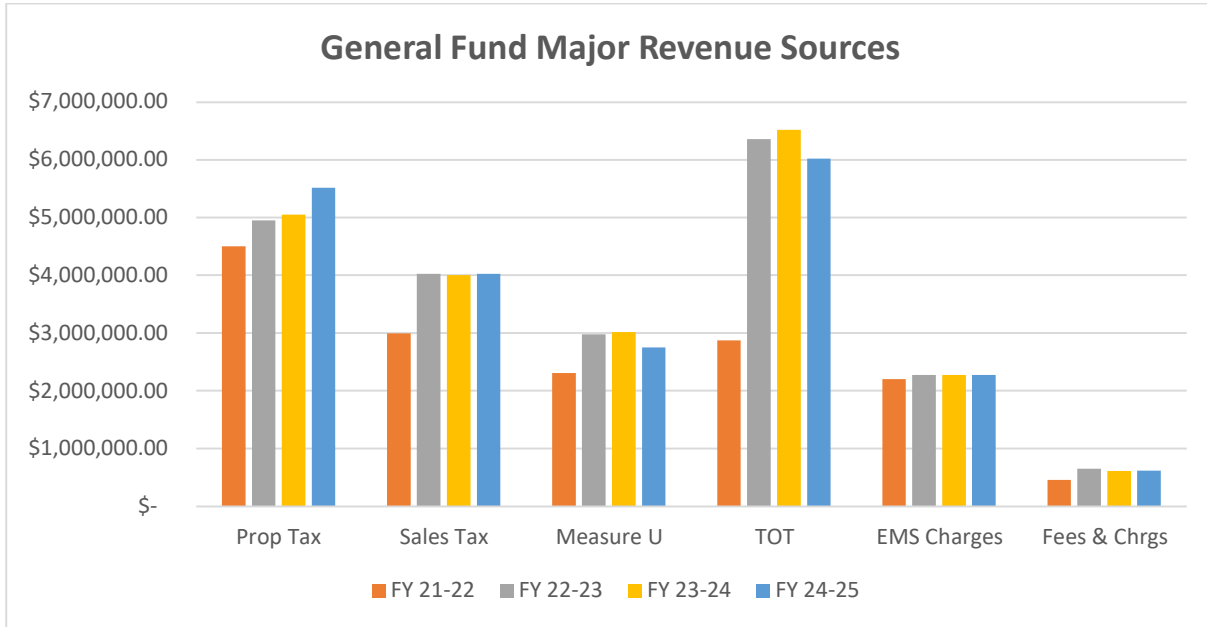
In FY 2019-20 the City Council issued a proclamation of a Local Emergency in response to a global health crisis and pandemic brought on by COVID-19 (Coronavirus). The County of Sonoma declared a Local Public Health emergency and subsequently ordered a Shelter in Place directive on March 13, 2020 that restricted most activities, travel, governmental and business functions throughout the County. Additionally, California Governor Newsom issued Executive Order N-33-20 mandating everyone living in the State of California to stay home, except as needed to maintain critical infrastructure sectors continuity of operations. The impact of the COVID-19 global pandemic and the resulting response to slow the spread of the disease greatly impacted business and tourism activities in the City.

With its tourism-based local economy, the City of Sonoma relies heavily on revenues that were significantly impacted by the pandemic. While FY 2019-20 began with a balanced budget, steep drops in hotel and sales taxes for the 4th quarter (April – June) led to an estimated revenue shortfall of more than \$2 million. In May 2020, the City Council approved a plan to reduce expenditures by cutting spending wherever possible and deferring one-time projects. With these cuts, actuals for FY 2019-20 (unaudited) show a year-end operating deficit of approximately \$550,000, which will be funded with financial reserves.

The General Fund revenues most impacted by the pandemic were TOT and sales taxes. As of January 2020, annual TOT revenues were on track to reach \$4.8 million. With the pandemic and related shutdown, the FY 2020-21 budget included projected TOT revenue of less than half this amount, down about \$2.6 million. Sales taxes are also highly impacted by tourism, with restaurants comprising the largest single segment. Total sales taxes for FY 2020-21 were projected at more than \$1 million below pre-pandemic levels.

The total General Fund revenue projected for FY 2024-25 is \$24.3 million, which is slightly lower than the projected actuals for the previous fiscal year (FY 2023-24). The General Fund forecast shows revenues improving over the next five years but is projected to have a structural deficit due to the rising operating cost which includes increase in CalPERS Unfunded Accrued Liability payments, downward trend in TOT and Sales Tax revenue and increase to the City's contracts with Police and Fire. To help mitigate this structural deficit, the City has proposed "Measure T" half cent Transaction and Use General Tax Measure for November 5, 2024 election ballot.

GENERAL FUND REVENUES - FINANCIAL SUMMARY

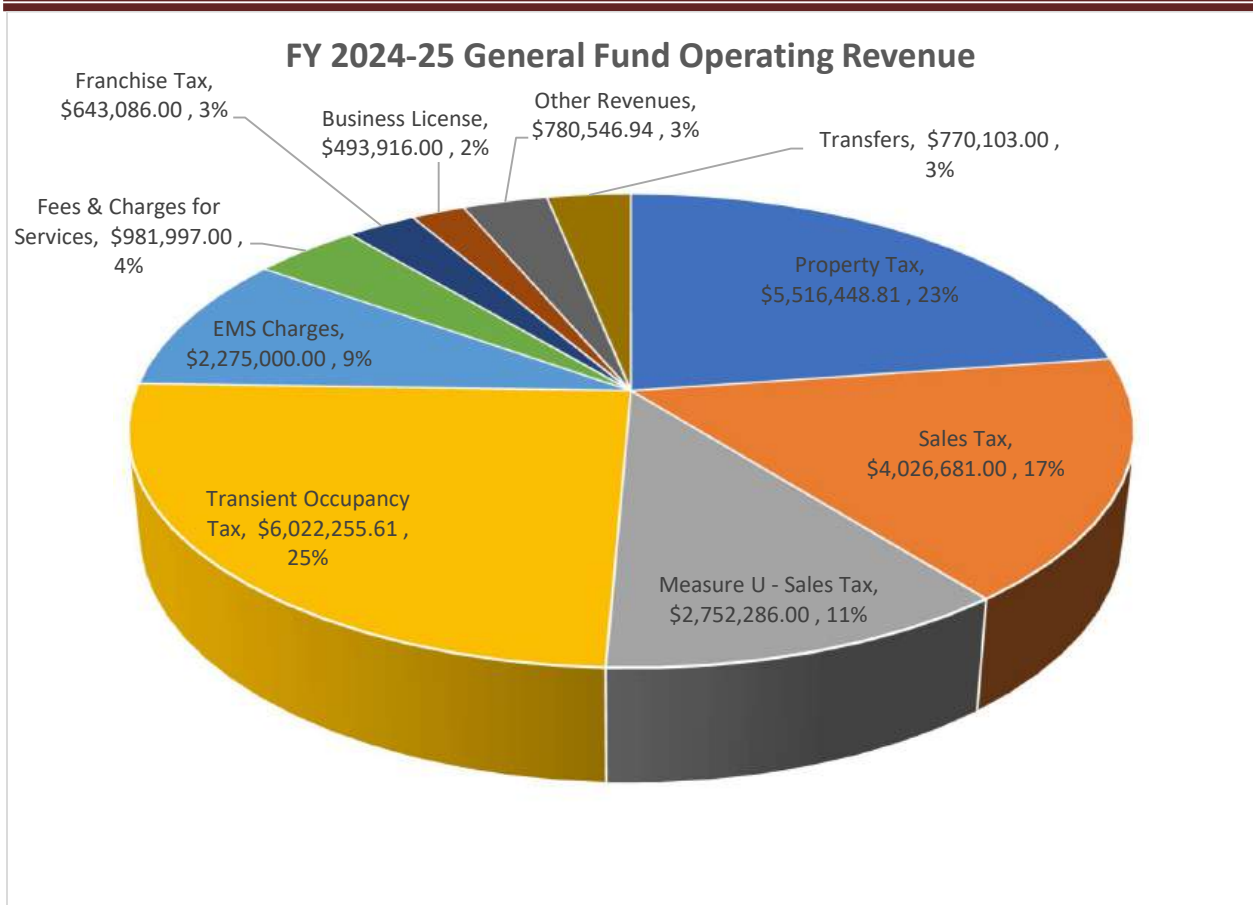


The City of Sonoma’s General Fund revenue forecast is driven primarily by property tax, transient occupancy tax (TOT) and sales taxes. Property tax for FY 2024-25 is projected to be about \$465,664 more than last year, increasing by 9 percent to a little over \$5.5 million.

With a tourism-based local economy, the City of Sonoma is reliant on hotel and sales taxes which represent over half of the City’s General Fund budget. The City Sales Tax expert, HdL, is forecasting revenue from Sales Tax at just over \$4 million and Measure U Sales Tax forecasted to decrease by 9 percent. The combined total of \$6.7 million is approximately \$240,000, or 8 percent lower than the FY 2023-24 amended budget.

For FY 2024-25, Staff is projecting TOT will be approximately \$6.0 million, and decrease of \$0.5 million compared to FY 2023-24. This revenue total includes the 1% TOT that is transferred to the Housing Trust Fund which is shown as a transfer out of the General Fund. The budgeted TOT revenue is a somewhat conservative estimate due to unknowns with the COVID-19 variants, possible fire related smoke issues and recession concerns.

GENERAL FUND REVENUES - FINANCIAL SUMMARY



Transient Occupancy Tax (TOT)

The transient occupancy tax (or TOT) is also commonly known as a hotel tax. The tax is imposed on occupants of hotels, inns, and other short-term lodging facilities for stays of 30 days or less. The tax is applied to a customer’s lodging bill. Transient occupancy taxes are remitted for all approved lodging operators within the City of Sonoma. The TOT is a general tax which is deposited into the City’s General Fund.

TOT generated from Sonoma’s lodging community currently represents more than one-fourth of the City’s General Fund revenue. The General Fund pays for essential City services that benefit both residents and visitors. These include police protection, fire and paramedic services, emergency preparedness, maintenance of streets and traffic operations, recreation services, maintenance of parks and open space, maintenance of City buildings and facilities, improvements and maintenance of overall City infrastructure and property, and general municipal services to the public.

In a November 2018 mid-term election, voters approved Measure S, which increased the TOT rate from the then existing 10% to 12% effective January 1, 2019, and authorized the City Council to further increase the rate to 13% by January 1, 2024. On June 10, 2019, the City Council adopted a resolution authorizing the additional 1% increase in the TOT, effective September 1, 2019, bringing the total TOT rate to 13%.

Affordable workforce housing in the City of Sonoma has become a challenge and the City has made this issue a priority. In 2019, a Housing Trust Fund was established. Following approval of the additional 1%

GENERAL FUND REVENUES - FINANCIAL SUMMARY

TOT the City Council voted to have the additional 1% transferred to the Housing Trust Fund. The additional 1% TOT increase helped fund affordable housing initiatives for Fiscal Years 2019-20 until present and will continue in FY 2024-25.

Lodging operators in the City of Sonoma collect both the TOT which is general city tax revenue and an additional 2% assessment that is remitted to the Sonoma Tourism Improvement District (STID) as a funding source for a sustained marketing program with the goal of increasing occupancy and room revenues in the City of Sonoma.

Sales Tax, Measure V (formerly J and U) and Measure M

Consumers are familiar with the experience of purchasing items at a store and having a percentage amount added for sales tax. The State Board of Equalization (BOE) collects local sales and use tax revenues from the retailer and sends revenue from local rates and allocations back to cities and counties. Sales and use tax revenue is general purpose revenue and is deposited into the City's General Fund.

California's sales tax has a relative called the "use tax." While the sales tax is imposed on the seller, the use tax is imposed on the purchaser and at the same rate as the sales tax. The most common example of use tax is for the purchase of goods from an out-of-state retailer for use in California.

Out-of-state retailers doing business in California are required to report to the BOE the jurisdiction to which sold items are delivered. Retailers with a physical presence (nexus) in California must collect use tax when goods are delivered to purchasers in this state. If the seller does not collect and remit the use tax, the purchaser is legally obligated to report and pay sales taxes.

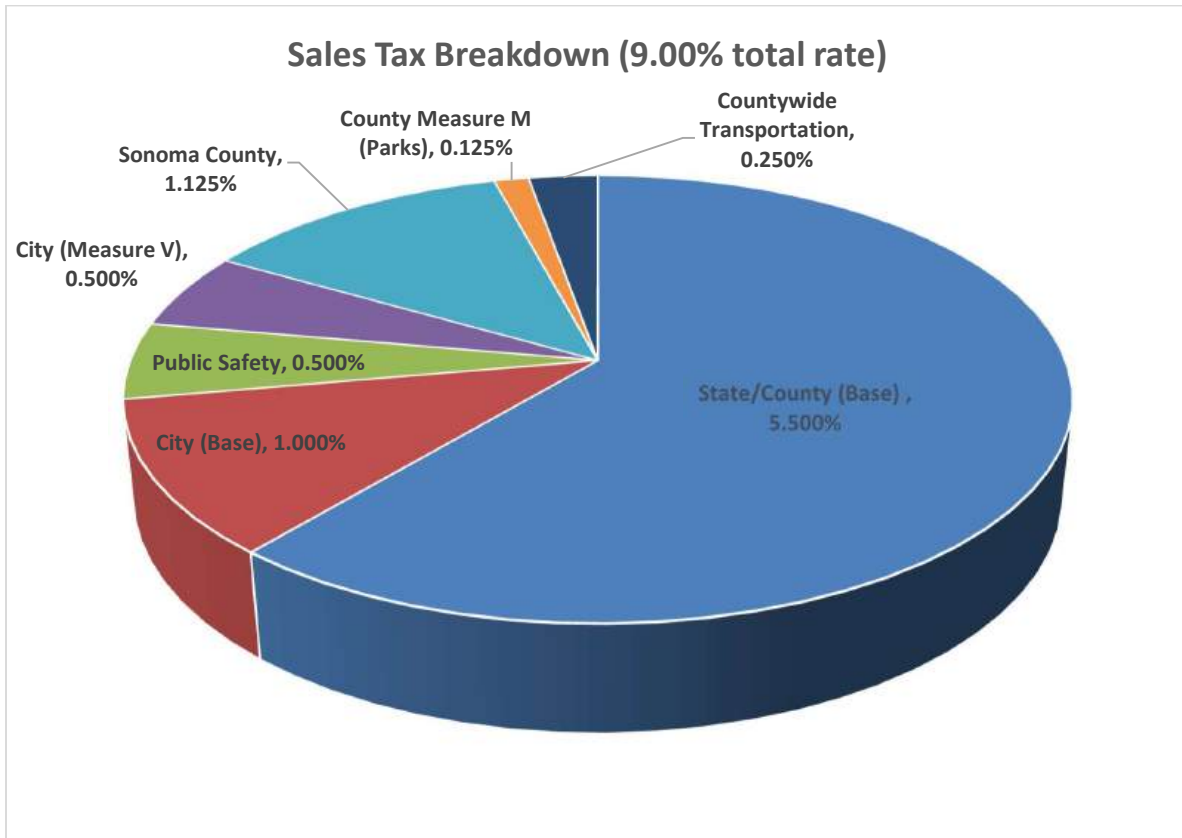
State law provides a variety of exemptions to the sales and use tax, including resale, interstate sales, intangibles, food for home consumption, candy, bottled water, natural gas, electricity, and water delivered through pipes, prescription medicines, and other items.

The total sales and use tax rate in Sonoma is 9 percent. This includes a "base" Statewide sales tax rate of 7.25 percent, allocated as follows:

- 5.50 percent for the State general fund (3.9375%) and the County for realignment programs shifted to counties from the State (1.5625 percent).
- 0.50 percent for Public Safety (Prop 172), created to mitigate impacts on local public safety from state shifts in property tax revenues (0.50 percent). The City receives a pro-rated share of Public Safety Sales Tax collected in the County. Use of this revenue is restricted to public safety purposes. In FY 2024-25, the City estimates it will receive \$186,255 for Public Safety.
- 0.25 percent for Transportation programs in the county where the transaction occurs.
- 1.00 percent for the city where the transaction occurs (if the transaction occurs in an unincorporated area, the 1.00 percent amount goes to the County).

In addition, Sonoma County has sales and use taxes totaling 1.125 percent. The City of Sonoma has a voter-approved 0.50 percent sales and use tax, known as Measure V, approved in 2020 on an ongoing basis until repealed by the voters and an additional 0.125 percent sales and use tax, known as Measure M - Sonoma County Parks, to be used for parks maintenance and capital projects. Revenue from Measure M is placed in a separate fund, (315-Parks Measure M,) and will be used for City parks maintenance and related CIP projects. It will provide approximately \$155,451 for our parks in FY 2023-24.

GENERAL FUND REVENUES - FINANCIAL SUMMARY



Measure V – Local ½ Cent Sales Tax – Cities, counties and countywide transportation agencies may impose sales tax rates to be added on to the “base” statewide sales and use tax rate. The add-on rates are actually “transactions and use taxes” and are allocated to the jurisdiction where the taxed product is received or registered (as in the case of a motor vehicle purchase). Under current state law, the maximum combination of transactions and use tax rates in any location may not exceed two percent without special State legislation.

In 2012, the City went to the voters with Measure J, a half-cent local transaction and use tax to fund City services. Until this measure, the City of Sonoma had not turned to its constituents for a new tax in 20 years. The measure passed with a 67.1% affirmative vote, well over the simple majority needed. Measure J was set with a 5-year sunset clause in a calculated and focused approach to (1) review the performance of the local sales tax, and (2) assure taxpayers that the City could and would demonstrate its ability to manage and use the funds in a fiscally responsible way. It also provided for the breathing room to analyze how the State would ultimately realign redevelopment activities, fund affordable housing, and transfer further responsibilities to cities without benefit of additional funding.

In anticipation of Measure J’s expiration, the City Council reviewed and discussed the need to continue the sales tax in summer 2016. Measure J revenue provided coverage for costs assumed by the General Fund for core public services and outside organizational services, some of which were formerly provided under the redevelopment program. As stated in the text of the original measure, the City was diligent in maintaining its promise to the voters and using the resources provided by the Measure J tax proceeds

GENERAL FUND REVENUES - FINANCIAL SUMMARY

wisely to provide “funding for essential services such as police, fire and emergency medical services, street and road maintenance, graffiti abatement and other general community services”. Overall, Measure J provided a stabilizing local economic foundation for the City’s provision of public services.

In July 2016, the City Council took action to extend the City’s local transaction and use tax on the November ballot. In November 2016, 73.3% of the voters of Sonoma passed Measure U – a ½ percent sales tax increase for 5 years.

In November 2020, 68.93% of the voters of Sonoma passed Measure V – a ½ percent sales tax to continue funding general city services, including: emergency preparedness, infrastructure, street maintenance, parks, open space, community services, ambulance services, public safety, and supporting Sonoma’s quality of life, on an ongoing basis until ended by voters.

Measure M – Sonoma County Parks 1/8 Cent Sales Tax - with the successful passage of Measure M - Sonoma County Parks 1/8 cent County-wide sales tax measure in 2018, the City of Sonoma will be receiving approximately \$158,000 per year for investment in parks maintenance and capital projects.

For FY 2024-25, the City’s General Fund projected revenue from the “base” sales tax is \$3.8 million, with an additional \$186,255 from the City’s share of the Public Safety sales tax. These sources of revenue are essentially flat compared to the previous year. Although the City is witnessing the economic headwinds experienced at the national and state level, inflationary pressures are likely maintaining healthy sales tax levels. Measure V General Fund Sales Tax revenue for FY 2024-25 is projected at \$2.8 million, down by 9 percent over FY 2023-24. Measure M Sonoma County Parks Sales Tax revenue for FY 2024-25 is projected to be approximately \$155,451.

Property Tax

Property tax remains a major source of revenue for the City. In FY 2024-25, a total of \$5,516,449, or approximately 23 percent, of General Fund revenue is projected to be derived from property taxes.

Property tax is imposed on “real property” (land and permanently attached improvements such as buildings) and tangible personal property (movable property such as boats and business equipment). The maximum tax rate permitted on real property for general purposes is one percent of the property’s assessed value plus voter-approved rates to fund indebtedness (general obligation bonds, requiring two-thirds voter approval).

The tax rate is applied to the assessed value (AV) of the property. The AV of real property is the “full cash value” of the property in 1975-76 or at change of ownership, whichever is more recent, adjusted annually by the change in the Consumer Price Index (CPI), not to exceed an annual increase of two percent. If a property changes hands, then the AV becomes the full cash value upon change in ownership. The value of new construction is additional.

If a property’s market value falls below its factored base year value, it may be temporarily reassessed to its lower actual value, but in future years may be reassessed at the lesser of its actual value or its factored base year value. This can result in increases of more than two percent as a property’s actual value returns to its earlier value, as when the housing market rebounds from a slump.

GENERAL FUND REVENUES - FINANCIAL SUMMARY

As a result of two State legislative actions in the mid-2000s, Proposition 57 (also known as the Triple Flip) and the Vehicle License Fee Swap (VLF Swap), property tax revenues increased, and sales tax and vehicle license fee revenues decreased. The passage of Proposition 57 reduced the city's sales tax revenue by 0.25% and replaced it with an equal amount of property tax revenue. The VLF Swap permanently reduced vehicle license fees from 2% to 0.67% and replaced the resultant revenue loss with an equal amount of property taxes. The Triple Flip ended in FY 2015-16, with a resultant decrease in that component of property tax revenues. This was offset by a similar increase in sales tax as the State is now remitting the full 1% to the city.

Until FY 2011-12, the City's Community Development Agency (referred to in other organizations as a Redevelopment Agency or RDA) was receiving tax increment revenue based on increases in property value as a result of redevelopment projects. By agreement with the County of Sonoma, 1% of the property value over a base amount was allocated to the Redevelopment Agency. This allocation was reduced by a required distribution of 20% to the Housing Set Aside Fund and funding to other taxing agencies as pass-through amounts. With the elimination of redevelopment agencies by the State of California in June 2011, the City's revenue from dedicated RDA property taxes is now limited to an amount equivalent to annual debt service payments and other enforceable obligations and the City now receives "residual redevelopment" property tax revenues which has been increasing.

Currently, the largest portion of each property tax dollar goes to local school districts, with the next largest portion going to Sonoma County. The City of Sonoma receives approximately 18 cents of every property tax dollar remitted.

Sonoma has seen increased property tax revenues as the housing market recovered from the 2008 economic recession and new homes are added. Although no structures were lost within City limits to the 2017 fires, the loss of a significant number of homes in Sonoma County impacted an already tight housing market in Sonoma County. Property tax revenues for FY 2023-24 are projected to reach over \$5.5 million and increase to over almost \$0.5 million compared to the adopted budget for FY 2023-24.

EMS Revenue

The Fire Department provides advanced life support (ALS) medical services through the use of dual-role firefighting employees, who are also trained as paramedics and emergency medical technicians. All staffed engines and ambulances are ALS equipped and staffed with at least one paramedic. Under the terms of the Sonoma Valley Fire and Rescue Authority, the City receives 100% of the Emergency Medical Services Revenue. Growth in ambulance billing revenue had been steady but began to decline in FY 2018-19 with an increase in MediCal and other insurance write-offs. Fortunately, the IGT Program Revenue, which is directly related to the MediCal write-offs, has been steadily increasing, which helps offset some of this loss. For FY 2024-25, EMS revenue is projected to remain steady at \$2.3 million.

Other Revenue Sources

User Fees and Charges for Services: While the primary mission of government is to satisfy community needs, some City services solely benefit specific individuals or businesses. It is the City's policy that the public at large should not subsidize activities of private interest through general tax revenues. The City has therefore established user fees to ensure that those who use proprietary services pay for those services in proportion to the benefit received. Fees that do not recover the full cost of providing the service result in a General Fund subsidy which shifts funds away from other critical and high priority

GENERAL FUND REVENUES - FINANCIAL SUMMARY

programs that may not have similar cost recovery options. Fees are generated from a variety of services including building and planning permits and inspections, special event fees, appeal fees, public safety fees, and administrative fees, such as the 1% fee charged to the Sonoma Tourism Improvement District for collecting and remitting payments. Water service fees are part not part of the General Fund but are segregated into an Enterprise Fund for the Water Utility.

Generally, annually, the City of Sonoma reviews and updates its City Fee Schedule. The City Council has the authority to establish these fees and charges as defined by the State Constitution and in accordance with Government Code Section 39001 with limitations set by Proposition 218. This regulatory authority provides cities the means to “protect overall community interests, while charging only the individual who is benefiting from the service.”

The most recent update to the City’s fee schedule as approved by the City Council became effective in August 2021. In FY 2018-19 staff presented an additional fee schedule to increase cost recovery on development-related staff work by planning and legal staff that was approved by Council and implemented in February 2019. General Fund revenues from fees are projected to be over \$600,000 in FY 2024-25.

Business License Tax: All individuals, partnerships, corporations, and sole proprietors conducting business within city limits are required to file a business license with the City on an annual basis. In accordance with the City of Sonoma Municipal Code 5.04, "it is unlawful for any person to transact and carry on any business, trade, profession, calling or occupation in the city without first having procured a license from the city...". This includes subcontractors, independent contractors, non-profits, and home-based businesses in the city. The City of Sonoma business license period is January 1 through December 31 of each year. All annual licenses are due and payable before the first day of February. For new businesses within the city, the business license tax is due prior to the opening of the business. City Municipal Code sets the business license tax as a flat rate and not on a gross receipts basis. For most businesses, not all, the license is an annual fee plus an additional charge based on number of employees. Improved enforcement of the Business License Tax, including engagement of the City’s Code Enforcement Officer and City Prosecutor, has resulted in collections and penalties for unpaid licenses in prior years. Revenue from business license tax is expected to increase in FY 2024-25, by 27 percent, or over \$100,000 compared to the previous budget.

Franchise Tax: Franchise Taxes are collected from businesses that are granted franchises to provide services in the City such as gas and electric, cable TV, telephone, and garbage collection. The City is projecting \$647,000, or 12 percent, in franchise tax revenue for FY 2024-25, primarily due to increases from garbage services.

Other Revenues: This category includes Real Property Transfer Tax; Licenses & Permits; Fines & Forfeitures; Interest & Rents; and Grants & Intergovernmental Revenue. Grants are now recorded in a separate fund and reimbursements for capital projects are now shown in the CIP budget. For FY 2024-25 Other Revenues are projected at \$780,547.

GENERAL FUND REVENUES - FINANCIAL SUMMARY

Operating Transfers: This category includes transfers from the Water Fund identified through the cost allocation plan totaling \$561,257, as well as transfers from the Water Fund for leases of two tank sites (the lease amount for a third site is a transfer from Water to the Cemetery Fund – each lease at \$41,923). Also included is a transfer of \$100,000 from the Citizens Option for Public Safety (COPS) special revenue fund in support of Police operations, \$25,000 from the Pool Scholarship Fund and \$20,000, from the IGT fund to support Fire operations. For FY 2024-25, operating transfers into the General Fund total \$770,103.

Federal & State Relief Funding: The City has received funds from the American Rescue Plan Act, signed in 2021, in the amount of \$1.3 million for the past two fiscal years. This federal funding source is no longer available.

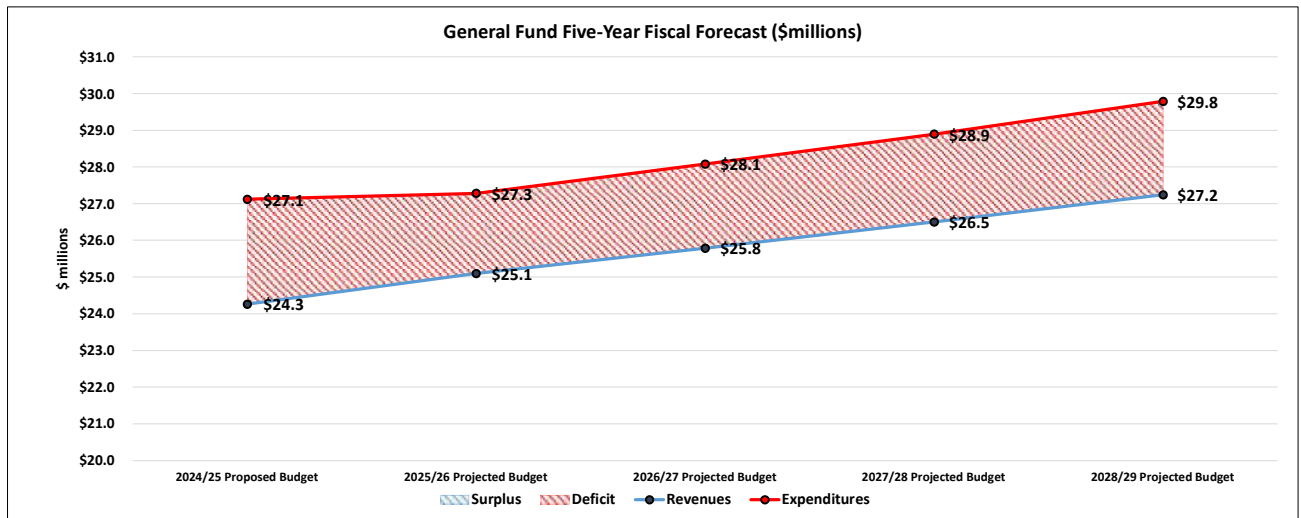
GENERAL FUND - REVENUE AND EXPENSE BY CATEGORY

Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24- 25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended
Property Taxes	\$ 4,778,547	\$ 5,205,404	\$ 5,050,785	\$ 5,527,037	\$ 5,516,449	\$ 465,664	9%
Sales & Use Taxes	\$ 3,703,290	\$ 3,906,128	\$ 3,833,378	\$ 3,366,183	\$ 3,840,426	\$ 7,048	0%
Measure J/U Local Sales Tax	\$ 2,946,629	\$ 2,874,682	\$ 3,016,419	\$ 2,412,496	\$ 2,752,286	\$ (264,133)	-9%
Sales Tax - Public Safety	\$ 176,406	\$ 180,825	\$ 168,985	\$ 167,925	\$ 186,255	\$ 17,270	10%
Sales Tax - County Parks - Cit	\$ -	\$ -	\$ -	\$ 37,657	\$ -	\$ -	0%
Fees	\$ 786,422	\$ 836,449	\$ 609,602	\$ 1,078,858	\$ 615,602	\$ 6,000	1%
Transient Occupancy Tax (TOT)	\$ 6,798,123	\$ 6,413,453	\$ 6,518,236	\$ 5,888,801	\$ 6,022,256	\$ (495,980)	-8%
Franchise Tax	\$ 609,900	\$ 631,002	\$ 575,812	\$ 646,572	\$ 643,086	\$ 67,274	12%
Business License Tax	\$ 428,249	\$ 475,816	\$ 387,600	\$ 468,079	\$ 493,916	\$ 106,316	27%
Real Property Transfer Tax	\$ 192,302	\$ 179,477	\$ 153,000	\$ 148,537	\$ 185,890	\$ 32,890	21%
Licenses & Permits	\$ 116,541	\$ 291,081	\$ 206,180	\$ 344,245	\$ 297,761	\$ 91,581	44%
Fines & Forfeitures	\$ 132,052	\$ 54,527	\$ 87,000	\$ 60,741	\$ 83,000	\$ (4,000)	-5%
Interest & Rents	\$ 140,115	\$ 154,660	\$ 95,027	\$ 154,150	\$ 126,775	\$ 31,748	33%
Grants	\$ 55,919	\$ 323	\$ -	\$ 140,453	\$ -	\$ -	0%
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Federal Grants	\$ 1,323,588	\$ 1,318,588	\$ -	\$ -	\$ -	\$ -	0%
Charges For Services	\$ 126,379	\$ 111,419	\$ 372,695	\$ 165,403	\$ 366,395	\$ (6,300)	-2%
EMS	\$ 2,257,961	\$ 2,651,827	\$ 2,275,000	\$ 2,852,545	\$ 2,275,000	\$ -	0%
Miscellaneous	\$ 170,066	\$ 84,955	\$ -	\$ 60,271	\$ -	\$ -	0%
Transfers	\$ -	\$ 1,278,826	\$ 790,103	\$ 790,103	\$ 770,103	\$ (20,000)	-3%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ 53,839	\$ 41,745	\$ 59,900	\$ 80,444	\$ 30,000	\$ (29,900)	-50%
Interest Revenue	\$ (40,618)	\$ 116,381	\$ 57,120	\$ 393,021	\$ 57,120	\$ -	0%
Proceeds from Issuance of Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 24,755,710	\$ 26,807,568	\$ 24,256,842	\$ 24,783,524	\$ 24,262,320	\$ 5,478	0%
Salary & Wages	\$ 3,048,584	\$ 3,490,205	\$ 3,581,657	\$ 3,408,905	\$ 4,194,564	\$ 612,907	17%
Employee Benefits	\$ 921,631	\$ 951,286	\$ 1,175,097	\$ 883,784	\$ 1,264,916	\$ 89,819	8%
PERS UAL	\$ 1,181,491	\$ 1,329,412	\$ 1,327,620	\$ 1,286,825	\$ 1,874,377	\$ 546,757	41%
Professional Services	\$ 795,455	\$ 1,125,548	\$ 1,820,513	\$ 1,333,685	\$ 1,308,505	\$ (512,008)	-28%
Sheriff Contract	\$ 4,805,037	\$ 4,878,982	\$ 5,344,529	\$ 5,337,084	\$ 6,217,192	\$ 872,663	16%
SVFRA Contract	\$ 5,647,345	\$ 6,332,913	\$ 6,773,055	\$ 6,773,055	\$ 6,554,311	\$ (218,744)	-3%
Cost Recovery	\$ 172,031	\$ 273,208	\$ 189,000	\$ 383,978	\$ 150,000	\$ (39,000)	-21%
Property Services	\$ 1,284,585	\$ 1,711,990	\$ 1,809,665	\$ 1,679,207	\$ 1,780,817	\$ (28,848)	-2%
Operations	\$ 1,008,282	\$ 1,025,969	\$ 1,523,649	\$ 1,242,254	\$ 1,469,499	\$ (54,150)	-4%
Supplies	\$ 277,013	\$ 395,385	\$ 328,630	\$ 365,410	\$ 306,000	\$ (22,630)	-7%
Software & Equipment	\$ 46,665	\$ 33,251	\$ 129,358	\$ 23,193	\$ 4,200	\$ (125,158)	-97%
Internal Service & Capital Prj	\$ 1,025,864	\$ 1,040,164	\$ 1,084,488	\$ 1,086,151	\$ 1,184,509	\$ 100,021	9%
Transfers Out - CIP	\$ -	\$ 171,749	\$ 280,000	\$ 280,000	\$ 380,000	\$ 100,000	36%
Transfers	\$ 522,816	\$ 492,553	\$ 553,749	\$ 432,049	\$ 429,716	\$ (124,033)	-22%
Transfers to County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Debt Service	\$ -	\$ 2,274	\$ -	\$ 13,886	\$ -	\$ -	0%
Total Expense	\$ 20,736,799	\$ 23,254,889	\$ 25,921,010	\$ 24,529,467	\$ 27,118,608	\$ 1,197,598	5%
Surplus/(Deficit)	\$ 4,018,911	\$ 3,552,679	\$ (1,664,168)	\$ 254,056	\$ (2,856,287)		

*unaudited

GENERAL FUND FORECAST SUMMARY

Description	2023/24 Amended Budget	2023/24 Projected Actuals	Year 1	Year 2	Year 3	Year 4	Year 5
			2024/25 Proposed Budget	2025/26 Projected Budget	2026/27 Projected Budget	2027/28 Projected Budget	2028/29 Projected Budget
Revenues:							
Property Tax	\$ 5,050,785	\$ 5,527,037	\$ 5,516,449	\$ 5,704,703	\$ 5,907,902	\$ 6,123,005	\$ 6,350,799
Transient Occupancy Tax	\$ 6,518,236	\$ 5,888,801	\$ 6,022,256	\$ 6,261,066	\$ 6,448,898	\$ 6,642,365	\$ 6,841,636
Sales Tax (general, public safety)	\$ 4,002,363	\$ 3,534,108	\$ 4,026,681	\$ 4,130,937	\$ 4,237,444	\$ 4,346,826	\$ 4,459,161
Sales Tax (local half-cent)	\$ 3,016,419	\$ 2,412,496	\$ 2,752,286	\$ 2,821,481	\$ 2,892,018	\$ 2,964,318	\$ 3,038,426
Emergency Medical Services	\$ 2,275,000	\$ 2,852,545	\$ 2,275,000	\$ 2,320,500	\$ 2,366,910	\$ 2,414,248	\$ 2,462,533
Other revenues	\$ 1,285,348	\$ 3,778,433	\$ 2,899,545	\$ 3,068,187	\$ 3,123,449	\$ 3,179,890	\$ 3,237,536
Transfers In	\$ 790,103	\$ 790,103	\$ 770,103	\$ 789,356	\$ 809,089	\$ 829,317	\$ 850,050
TOTAL OPERATING REVENUE	\$ 24,256,842	\$ 24,783,524	\$ 24,262,320	\$ 25,096,230	\$ 25,785,710	\$ 26,499,969	\$ 27,240,141
Expenditures:							
Current Staffing (Salaries & Benefits)	\$ 4,756,754	\$ 4,292,690	\$ 5,459,480	\$ 5,602,291	\$ 5,748,862	\$ 5,899,293	\$ 6,053,687
Police Contract & Operating Costs	\$ 5,344,529	\$ 5,337,084	\$ 6,217,191	\$ 6,491,177	\$ 6,777,237	\$ 7,075,903	\$ 7,387,730
Fire/EMS Contract & Operating Costs	\$ 6,773,055	\$ 6,773,055	\$ 6,554,310	\$ 6,687,120	\$ 6,902,398	\$ 7,124,607	\$ 7,353,970
Other Professional/Contractual Services	\$ 1,820,513	\$ 1,333,685	\$ 1,308,505	\$ 929,205	\$ 938,497	\$ 947,882	\$ 957,361
Payments on accrued PERS Liability (UAL and POBs)	\$ 1,327,620	\$ 1,286,825	\$ 1,874,376	\$ 1,927,242	\$ 1,982,075	\$ 2,027,919	\$ 2,128,596
Other Operating Costs	\$ 5,618,539	\$ 5,226,128	\$ 5,324,745	\$ 5,343,680	\$ 5,429,603	\$ 5,517,385	\$ 5,607,075
Transfer to Capital Improvement Program	\$ 280,000	\$ 280,000	\$ 380,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
TOTAL OPERATING EXPENDITURES	\$ 25,921,010	\$ 24,529,467	\$ 27,118,607	\$ 27,280,715	\$ 28,078,673	\$ 28,892,990	\$ 29,788,420
GENERAL FUND SURPLUS (DEFICIT):	\$ (1,664,168)	\$ 254,056	\$ (2,856,287)	\$ (2,184,485)	\$ (2,292,963)	\$ (2,393,022)	\$ (2,548,279)



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BUDGET DETAIL CENTRAL ADMINISTRATION

Central Administration Organizational Chart

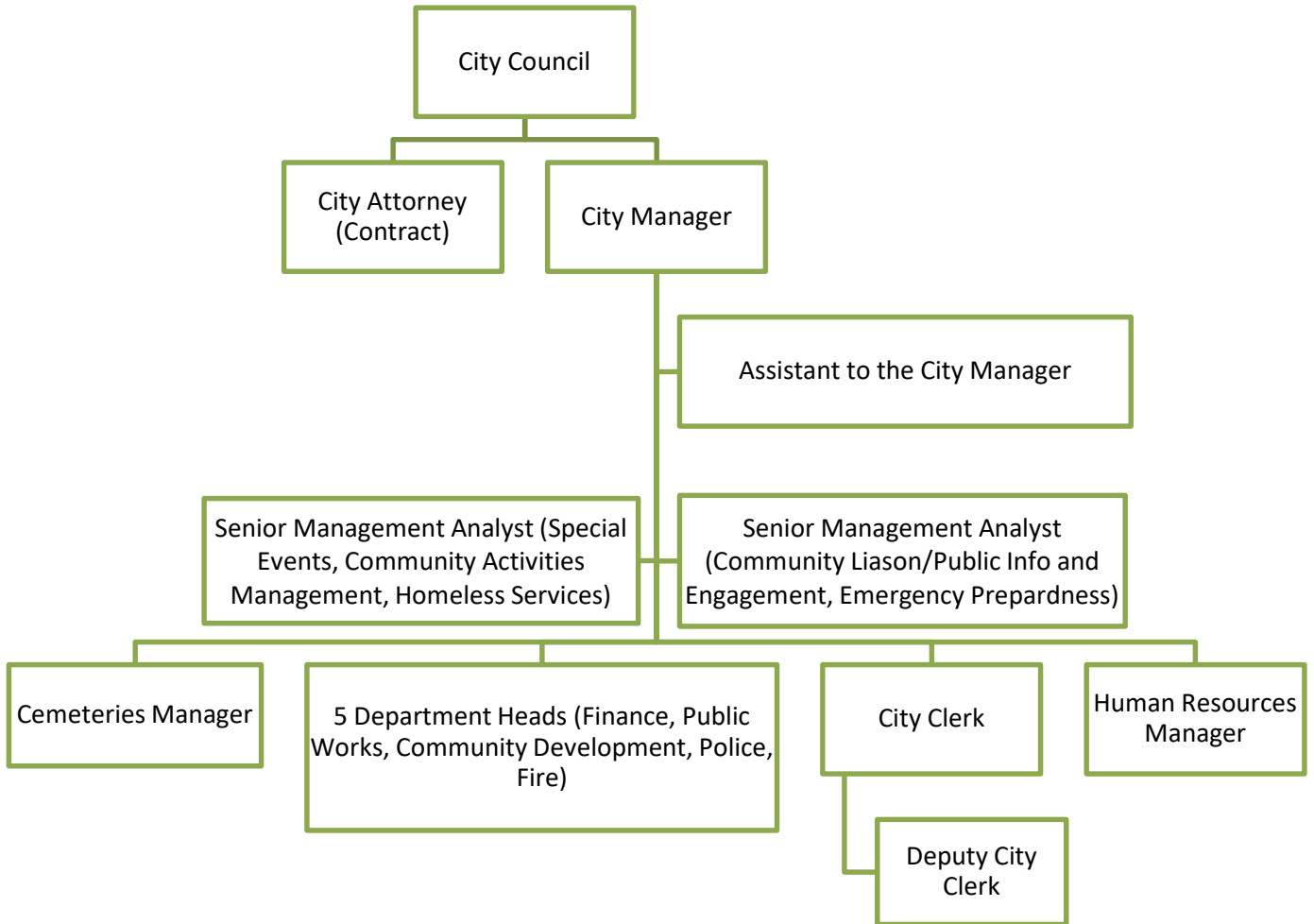
City Council

City Clerk

City Manager

Legal Services

Central Administration Organizational Chart





CITY OF SONOMA

City Council *(100-41001)*

The City of Sonoma City Council represents the voters of Sonoma and oversees all municipal operations from a budgetary and policy standpoint. It functions as the legislative branch of the City government, determining the community's overall needs, setting goals and priorities, and developing policies and projects to achieve these goals.

Comprised of five members, the City Council is elected at large and serves overlapping four-year terms. It also acts as the Successor Agency to the dissolved Sonoma Community Development Agency. The Council appoints both the City Manager and City Attorney. The current members of the City of Sonoma City Council are:

John Gurney, Mayor
Patricia Farrar-Rivas, Vice Mayor
Jack Ding, Council Member
Sandra Lowe, Council Member
Ronald Wellander, Council Member

In accordance with state law, each member of the City Council is offered a stipend of \$300 per month. They and their dependents are also eligible to participate in the City's health, dental, and vision care coverage at the same costs as City employees.

City Council meetings are held on the first and third Wednesday of each month at 6:00 p.m. in the City Council chambers. The City Council regularly establishes goals for the City organization, typically on an annual basis, approves the budget, and provides overall policy guidance. The budget reflects our commitment to effectively serve the needs of our community while promoting fiscal responsibility and strategic decision-making.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Approved the upgrade of 81 waste receptacle stations throughout the Sonoma Plaza
- Approved the installation of 16 automated license plate readers (ALPR) throughout the City
- Created a General Plan Task Force
- Adopted an Ex Parte Communications Policy to strengthen public transparency
- Initiated expansion of cemetery services including the creation of a Cemetery Manager position
- Entered into an updated Joint Powers Agreement with Sonoma County for the Sonoma Valley Community Advisory Commission
- Implementation of Emergency Warming Center in response to extreme weather events
- Adopted Climate Action Strategies
- Restructured City Commissions and updated the appointment process, attendance, and composition requirements
- Implemented Advanced Metering Infrastructure (AMI) City Wide

SONOMA CITY COUNCIL GOALS FOR FISCAL YEAR 2024/25:

- **Housing** - The Council unanimously commits to addressing housing needs across all levels. From affordable housing to market-rate residences, diverse options are envisioned. The Council discussed potential strategies, emphasizing efficiency in Housing Element implementation—streamlining processes, simplifying procedures, and exploring fair fee structures. Financial viability for housing projects is a priority, urging exploration of various funding options. Collaborating with partners, both public and private, is key to leveraging resources and expertise for innovative solutions. Additionally, the Council acknowledges the need for compassionate strategies to support and house unhoused community members.
- **Annexation/Unification** - The City Council discussed the initial steps in exploring annexation options and opportunities for areas adjacent to the City of Sonoma. This would begin with obtaining affirmation from the Sonoma City Council and the Sonoma County Board of Supervisors to request a comprehensive study developed by the Local Agency Formation Commission (LAFCO) that will guide decisions, assessing the feasibility and benefits of annexation for the greater good of our community. In addition, a community engagement process would gather input from those who live in the City of Sonoma and the potential annexation area. The Council emphasized that the process should be transparent and prioritize an inclusive public engagement process to ensure residents are active participants in decision-making.
- **Economic Development/Revenue Stewardship** - Asserting a dedication to economic vitality, the Council intends on creating a business-friendly environment, vital for economic development. Attracting, retaining, and diversifying businesses aligns with economic goals. Identifying and implementing revenue-enhancing strategies ensures financial stability for essential services. Exploring diverse financial resources, including grants and bonds, supports potential economic development initiatives. The Council also considers nurturing small businesses through targeted support programs, fostering entrepreneurship and community resilience.
- **Climate Mitigation and Adaptation** - The Council aspires to position the City of Sonoma as a leader in climate action, responding proactively to the challenges of a changing climate. By implementing recently adopted climate action strategies, the city aims to reduce its environmental impact and inspire neighboring communities. Key initiatives include improving public transit to promote sustainable transportation and expanding and protecting the city's tree canopy to enhance climate resilience. These measures, alongside potential additional strategies, signify the City of Sonoma's commitment to setting a trend in effective climate mitigation and adaptation. Through community engagement and collaboration, the city strives to demonstrate the positive influence local efforts can have on the global fight against climate change.
- **Parks and Recreation/Community Services** - The City is interested in creating a Parks and Recreation Department to provide enhanced recreational sites and services for residents of all ages. Exploring a potential tax revenue measure to ensure a robust staffing and organizational structure for efficient service delivery is essential. Collaborating with community partners, supporting and promoting the arts, and preserving and enhancing the cemetery as a sacred space and vital community history element, as well as encouraging community engagement through volunteer opportunities, are also priorities within this goal. In addition, the City intends to create a comprehensive plan for the Plaza Park, including a master plan and landscape management plan, to ensure it remains a vibrant and well-maintained community hub. Additionally, the Council wishes to explore conservation easements in commitment to protect and preserve natural resources.

General Fund

City Council Division

General Ledger Department 41001

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 34,885.00	\$ 40,234.00	\$ 42,890.27	\$ 42,890.00	\$ 42,542.00	\$ 43,807.00	\$ 917.00	2%
Employee Benefits	\$ 24,678.00	\$ 36,677.00	\$ 50,250.62	\$ 50,250.00	\$ 51,223.00	\$ 57,588.00	\$ 7,338.00	15%
PERS UAL	\$ 123.00	\$ 95.00	\$ 95.50	\$ 95.00	\$ 91.00	\$ 55.00	\$ (40.00)	-42%
Professional Services	\$ -	\$ 830.00	\$ 9,000.00	\$ 9,000.00	\$ 6,295.00	\$ 9,180.00	\$ 180.00	2%
Property Services	\$ 24,175.00	\$ 3,120.00	\$ 4,217.39	\$ 4,217.00	\$ 3,683.00	\$ 4,893.00	\$ 676.00	16%
Operations	\$ 28,109.00	\$ 41,825.00	\$ 32,475.00	\$ 43,675.00	\$ 46,633.00	\$ 45,525.00	\$ 1,850.00	4%
Supplies	\$ 6,311.00	\$ 6,206.00	\$ 9,000.00	\$ 7,750.00	\$ 7,367.00	\$ 9,000.00	\$ 1,250.00	16%
Software & Equipment	\$ -	\$ -	\$ -	\$ 11,820.00	\$ -	\$ -	\$ (11,820.00)	-100%
Internal Service & Capital Prj	\$ 5,286.00	\$ 7,189.00	\$ 5,094.00	\$ 5,094.00	\$ 5,094.00	\$ 5,094.00	\$ -	0%
Expense Total	\$ 123,567.00	\$ 136,176.00	\$ 153,022.78	\$ 174,791.00	\$ 162,928.00	\$ 175,142.00	\$ 351.00	0%

*unaudited

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CITY OF SONOMA

City Clerk (100-41002)

Rebekah Barr, MMC, City Clerk
Monique Saviez Burns, Deputy City Clerk

The City Clerk provides executive and administrative support to the City Council as a whole, to individual Council Members, and to the City Manager. The City Clerk is also responsible for facilitating the business proceedings of the City Council, and fulfilling legal requirements as set forth in city codes, state, and federal laws.

The mission of the City Clerk Department is to be a steward and protector of democratic processes, such as elections, and access to official records, as well as to comply with federal, state, and local statutes. The department supports the City Council in its goals of innovation, transparency and fairness while promoting community participation and awareness.

The Department, which serves as the information nucleus of the City and its departments, is dedicated to providing a high level of professional service to the citizens of Sonoma. The City Clerk's main goal is to provide these services expeditiously while ensuring compliance with all California Statutes and City Ordinances.

Some examples include:

- **ELECTIONS OFFICIAL** – The City Clerk administers local, state, and federal, procedures through which City Council Members are selected. The City Clerk assists candidates in meeting their legal responsibilities before, during and after an election. From election pre-planning to certification of election results and filing of final campaign disclosure documents, the City Clerk manages the process which forms the foundation of our democratic system of government.
- **RECORDS MANAGEMENT** -- The Office of the City Clerk is also responsible for overall records management and ensuring the City's records are retained as required by State law. The City Clerk ensures that records are readily available to the public.
- **PUBLIC RECORD ACT REQUESTS** -- The Office of the City Clerk is responsible for reviewing and processing public record act requests in coordination with the City Attorney.
- **COMMISSION SUPPORT AND ADMINISTRATION** -- The City Clerk works with the staff liaisons of each of the City's Commissions. The Office of the City Clerk also helps process and track the Commission appointments and other legal requirements/training for commission members.
- **STAFF TO THE CULTURAL AND FINE ARTS COMMISSION** -- The Office of City Clerk provides staff support to the Cultural and Fine Arts Commission.

FISCAL YEARS 2023–24 ACCOMPLISHMENTS:

- Completed conversion of the City's Municipal Code from legacy platform to new platform, to ensure accessibility and ease of use. Added ability to view versions of the Municipal Code going backwards for fifteen years; as well as easily identify newly amended sections and pending changes.

- Selected and began Implementation of Laserfiche Records Management Solution, which includes a public portal making City records accessible to the Public.
- Completed Update of new records retention schedules for all City departments.
- Facilitated the completion of an updated Commission appointment process and restructuring
- Completed recruitment and onboarding of new commissioners & committee members.
- Completed a review of City insurance requirements and more appropriately aligned required limits to uses in compliance with risk manager recommendations.
- Created a new Contract and Agreement Management Policy & Guidelines.
- Coordinated and Hosted the Sonoma County Mayors & Councilmembers’ Association Dinner Meeting for 60 Attendees
- Coordinated and Hosted the Alcalde Reception for 175 Attendees
- Deputy City Clerk Saviez Burns graduated from the Marin Sonoma Leadership Academy, a seven-month academy formed to assist participating agencies in succession planning efforts.

STATISTICAL DATA – for Calendar Year 2023

ITEM	NUMBER PROCESSED
Meeting Packets Produced	
- City Council / Special City Council	29
- Cultural & Fine Arts	8
Ordinances	7
Resolutions	82
Public Records Requests	92
Proclamations & Recognitions	33
Claims	5

FISCAL YEAR 2024–25 GOALS:

- Complete a General Municipal Election to fill two Council seats and possibly one ballot measure.
- Complete recruitment and onboarding of two new Council members.
- Complete Implementation of Laserfiche Records Management Solution.
- Develop “Commissioner Academy” Training Courses including Updated Commissioner Handbook.
- Complete bi-annual review and implementation of the City’s conflict of interest code to ensure appropriate reporting requirements for Commissioners in conjunction with FPPC’s Statement of Economic Interests.

General Fund City Council Division

General Ledger Department 41002

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 178,936.00	\$ 212,303.00	\$ 233,524.72	\$ 147,427.00	\$ 147,427.00	\$ 248,879.00	\$ 101,452.00	69%
Employee Benefits	\$ 53,851.00	\$ 59,663.00	\$ 66,674.00	\$ 44,610.00	\$ 27,611.00	\$ 56,229.00	\$ 11,619.00	26%
PERS UAL	\$ 862.00	\$ 723.00	\$ 723.30	\$ 723.00	\$ 689.00	\$ 466.00	\$ (257.00)	-36%
Professional Services	\$ 43,334.00	\$ 43,728.00	\$ 15,500.00	\$ 15,500.00	\$ 15,821.00	\$ 72,600.00	\$ 57,100.00	368%
Property Services	\$ 21,046.00	\$ 31,850.00	\$ 32,758.27	\$ 28,158.00	\$ 28,110.00	\$ 15,803.00	\$ (12,355.00)	-44%
Operations	\$ 15,497.00	\$ 13,314.00	\$ 26,890.00	\$ 17,530.00	\$ 12,651.00	\$ 27,640.00	\$ 10,110.00	58%
Supplies	\$ 894.00	\$ 50,878.00	\$ 3,000.00	\$ 1,500.00	\$ 619.00	\$ 3,500.00	\$ 2,000.00	133%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 14,070.00	\$ 15,401.00	\$ 14,363.00	\$ 14,363.00	\$ 14,363.00	\$ 14,068.00	\$ (295.00)	-2%
Expense Total	\$ 328,490.00	\$ 427,860.00	\$ 393,433.29	\$ 269,811.00	\$ 247,291.00	\$ 439,185.00	\$ 169,374.00	63%

*unaudited

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CITY OF SONOMA

City Manager (100-41003)

David Guhin, City Manager

The City Manager's Department budget supports a wide array of functions essential to the efficient and effective management of the City. The Department is responsible for the overall executive management of the organization, ensuring that the policy direction, goals, and objectives set by the City Council are implemented. This includes providing responsive, analytical, and concise recommendations that the City Council can rely upon to make informed policy decisions.

The City Manager's Department ensures that the City's finances are managed professionally, transparently, and with accountability. Responsibilities include preparing and submitting the annual budget and providing leadership and oversight of the City's public safety contracts with the Sonoma County Sheriff's Department and the Sonoma Valley Fire District. Additionally, the Department oversees the City Clerk, Human Resources, Community Activities & Special Events, Economic Development, Homeless Prevention, Public Information, and Cemeteries. The City Manager also serves as the Director of the Emergency Operations Center during major emergencies.

Primary Focus Areas

The City Manager's primary focus includes the following:

- **Strategic Goal Implementation:** Collaborating with the City Council to formulate, prioritize, and implement strategic goals.
- **Policy Support:** Providing responsive, analytical, and concise recommendations to enable informed policy decisions by the City Council.
- **Community Relations:** Managing community relations and overseeing City communications to ensure that methods and messaging (website, social media platforms, and other channels) effectively engage and inform the public.
- **Financial Management:** Upholding the highest standards of professionalism and transparency in managing the City's finances, fostering accountability, and fiscal responsibility.
- **Public Safety Oversight:** Providing active oversight of public safety services through contracts with the Sonoma County Sheriff's Department and the Sonoma Valley Fire District.
- **Community Partnerships:** Establishing partnerships with non-profit organizations, core recreation and community service providers, and the Sonoma Valley Unified School District to enhance quality of life programs and support the community.
- **Community Engagement:** Engaging with local organizations to address issues, concerns, and evolving service needs of City residents and businesses.
- **Interagency Coordination:** Coordinating with local and regional agencies to safeguard the City's interests and ensure the efficient delivery of services to the community.
- **Staff Development:** Supporting and encouraging professional development for staff to deliver effective and efficient services, creating and sustaining a culture of professional excellence and satisfaction.

- Service Innovation: Promoting innovative and creative approaches to enhance service delivery and provide increased value to residents.
- Legal Services: Includes City Prosecutor/Code Enforcement Services, as allocated in the Legal Services Budget.
- Economic Development & Business Assistance: Partnership with the Sonoma Valley Chamber of Commerce, as allocated in the Community Activities Budget.
- Special Events: Oversight of application processing, scheduling, review, and post-event follow-up for special events held in the Plaza and Depot Park. This includes management of the weekly Tuesday Night Markets from May to September, as allocated in the Community Activities Budget.
- Recreation/Community Activities: Partnerships with non-profit organizations offering youth programs, athletic activities, senior services, and arts and theater, as allocated in the Community Activities Budget.

Fiscal Year 2023-24 Accomplishments

- Updated policies to support housing development, streamlined the development review process, and moved permits online to enhance the City's planning/building process.
- Collaborated with restaurants, businesses, and the City Council to bring Transcendence Theater to Sonoma for the 2024 season.
- Installed new trash cans and bike racks in the Plaza.
- Coordinated with the State to relocate the Visitor Center to the State Park site.
- Completed a feasibility study for a potential revenue measure to support enhanced City services.
- Updated Emergency Operations policies and activities.
- Initiated City participation in coordinated Valley-Wide Homeless Prevention Services with the County of Sonoma (By-Names-List).
- Updated the Employee Policy Manual and implemented an electronic Employee Evaluation Platform.
- Hired a new Finance Director and Cemetery Manager.

Fiscal Year 2023-24 Goals

- Continue collaborating with all departments, boards, commissions, and the community to advance initiatives supporting the City Council Goals established in February 2024.
- Address the structural deficit through revenue enhancements, cost reductions, and fiscal policy development and implementation.
- Pursue a ½ cent sales tax to address the deficit and support the enhancement of services.
- Expand capacity at City Cemeteries to provide income and stability to the cemetery fund.
- Continue public outreach and communication through the City's website, newsletter, and social media.
- Ensure all employees, including the management team, receive annual performance reviews that outline accomplishments, performance goals for the upcoming year, and opportunities for professional growth.
- Develop an effective succession plan for City departments.
- Increase organizational effectiveness.
- Promote employee education, training, and the use of technology.
- Continue hiring capable, talented employees.

General Fund City Manager Division

General Ledger Department 41003

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 535,224.00	\$ 733,297.00	\$ 533,577.43	\$ 629,034.00	\$ 720,944.00	\$ 672,879.00	\$ 43,845.00	7%
Employee Benefits	\$ 133,695.00	\$ 154,594.00	\$ 177,756.90	\$ 177,756.00	\$ 157,197.00	\$ 160,104.00	\$ (17,652.00)	-10%
PERS UAL	\$ 69,756.00	\$ 114,451.00	\$ 114,451.68	\$ 114,451.00	\$ 109,084.00	\$ 157,832.00	\$ 43,381.00	38%
Professional Services	\$ 69,776.00	\$ 95,648.00	\$ 105,000.00	\$ 43,329.00	\$ 89,778.00	\$ 105,000.00	\$ 61,671.00	142%
Property Services	\$ 45,582.00	\$ 84,236.00	\$ 89,569.88	\$ 89,569.00	\$ 76,584.00	\$ 81,703.00	\$ (7,866.00)	-9%
Operations	\$ 2,022.00	\$ 9,049.00	\$ 282,370.00	\$ 270,264.00	\$ 174,645.00	\$ 220,350.00	\$ (49,914.00)	-18%
Supplies	\$ 1,008.00	\$ 727.00	\$ 7,200.00	\$ 7,200.00	\$ 627.00	\$ 7,200.00	\$ -	0%
Internal Service & Capital Prj	\$ 4,825.00	\$ 4,354.00	\$ 4,932.00	\$ 4,932.00	\$ 4,932.00	\$ 4,777.00	\$ (155.00)	-3%
Expense Total	\$ 861,888.00	\$ 1,196,356.00	\$ 1,314,857.89	\$ 1,336,535.00	\$ 1,333,791.00	\$ 1,409,845.00	\$ 73,310.00	5%

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CITY OF SONOMA

Legal Services (100-41005)

City Attorney

City Prosecutor/Youth & Family Services/Code Enforcement

David J. Ruderman, City Attorney, Colantuono, Highsmith & Whatley, PC.
 Bob Smith, City Prosecutor

City Attorney/ David J. Ruderman, Colantuono, Highsmith & Whatley, PC

Legal services are contracted by the City to an outside legal firm, Colantuono, Highsmith & Whatley, PC. The City Attorney is appointed by City Council to ensure compliance with laws as well as provide guidance and legal support. When necessary, the City Attorney will advise leadership regarding the content of ordinances, resolutions, and contract language as well as providing representation in the event of litigation.

City Prosecutor / Sonoma Valley Youth & Family Services (SVYFS)/ Code Enforcement

The City contracts with Bob Smith for City Prosecutor, Youth and Family Services and Code Enforcement. The Office of the City Prosecutor has historically had responsibility for two primary areas: prevention, mitigation and prosecution of crimes not amounting to felonies (18 years of age and older) and Youth and Family Services (minors). In 2016, the City Council expanded the City Prosecutor agreement to include code enforcement services.

Proposed amendment to Code Enforcement agreement for 2024-25.

CONTRACT COSTS BY PROGRAM		
CITY PROSECUTOR	YOUTH AND FAMILY SERVICES	CODE ENFORCEMENT
FY 2018-19 \$40,480	\$65,000	FY 2018-19 \$62,400
FY 2019-20 \$10,000	<i>(Program is 50% funded</i>	FY 2019-20 \$87,400
FY 2020-21 \$10,000	<i>by Sheriff's Department -</i>	FY 2020-21 \$62,400
FY 2021-22 \$10,000	<i>\$32,500.)</i>	FY 2021-22 \$62,400
+ \$6,000 Hearing Officer		FY 2022-23 \$60,000
FY 2024-25 included in Code Enforcement		FY 2023-24 \$80,000
		FY 2024-25 \$60,000

CITY PROSECUTOR

When the City Prosecutor's Office was originally created in 1987, the District Attorney's office was not as active in the prosecution of some areas of the law and there was a desire to have a higher level of local control. In FY 2019-20 staff recommended that the majority of the cases could be shifted to the District Attorney for their prosecution as is done for all other Sonoma communities. City Prosecutor responsibility

was overseeing and implementing a code enforcement department that would receive complaints, investigate, seek compliance where appropriate, enforce compliance where necessary and handle all subsequent Superior Court appeals, search warrant applications etc.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Administrative Hearings (7)
- Superior Court Appearances (3)
- Superior Court Trials (1)

FISCAL YEAR 2024-23 GOALS:

- Continue to focus on chronic property related issues, suggesting municipal code amendments, modifications, enactment to more clearly reflect the policy of the City with regard to the use and/or misuse of property within the City limits.
- Continue to support Code Enforcement by handling all contested hearings and Superior Court Appeals, as well as search warrant applications.

YOUTH AND FAMILY SERVICES (Y&FS)

Youth & Family Services has continued a major paradigm shift from a punitive-based juvenile diversion program to a trauma informed skill development-based program. Community Service is a large part of the diversion contract. A large aspect of almost every juvenile’s contract is community service hours. The community service component of the program has shifted to a more restorative justice approach, i.e., service to make the community whole for the impact of the juvenile’s conduct by helping the juvenile to develop the tools for success rather than simply punishing them. Under Y&FS direction the framework for all discussions and participation in the diversion program centers on a trauma based/restorative justice philosophy – accountability, understanding and amends.

No diversion contract has less than 60 hours of community service. The nature of the service is determined by looking at the juvenile’s grades, attendance and prior school discipline history and if appropriate discussion with relevant teachers or administrators. Diversion contracts typically contain grade improvement requirements, supervised homework, as well as participation in an Outward-Bound type training program (ropes course) to focus on self-esteem building, inclusion, teamwork, and trust. We also have provided tutoring, albeit, only as resources allow. This shifting program has helped a number of students change their behavior and lifestyle. To greater provide for an environment of success, Y&FS also provides parenting courses for parents of obedient defiant juveniles. All services are provided in Spanish and English.

The Youth & Family Services program serves to the entire Valley and is jointly funded by the City of Sonoma and the Sonoma County Sheriff’s Office (\$32,500 each).

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Continued focus on establishing a framework to a partnership with the school district (entered into an MOU with the district). Continued to utilize the 501(3)(c) “Sonoma Valley Youth & Family Services to support fund raising for additional services for YFS programming.
- Raised \$20,000 in grants and entered into a lease with Hanna for the space in which to build a ropes course to support SVYFS programs.
- Hired an accredited ropes course contractor to prepare proposal for construction

- Paid for the ED to complete Parent Project training as an additional resource for classes.
- Further strengthened SVYFS as primary juvenile services partner of Hanna’s initiative to become a hub for providing Valley wide mental health services (R. Smith is now a Hanna Institute Board Trustee and Chairman of the Juvenile programming)
- Continued to improve previously acquired unique interactive programming to allow program juveniles to self-define a roadmap to successful graduation.
- Continued to improve unique interactive programming to help juveniles understand the value of inclusion and successfully and positively identifying, interrupting, and resolving implied bias.
- Continued to provide ten-week course to parents of obedient defiant children both in English and Spanish, (the first post-Covid class included 18 parents who spoke only Spanish).

FISCAL YEAR 2024-25 GOALS:

- SVYFS continues to look forward to another year, preparing even better equipped support for our local families, school district and youth, all to foster healthy boundaries, loving engagement, and respect for oneself and our community.
- Continuing working with the School district on providing an alternative to discipline (which greatly increases a juvenile’s likelihood of entering Juvenile Justice System) in a post-Covid environment.
- Completing our ropes course
- Continue to support a partnership with Hanna, Teen Services, Mentoring Boys and Girls Club and CSARC to establish summer programs for juveniles.

CODE ENFORCEMENT

The City began contracting with the City Prosecutor for code enforcement services in March of 2016. The part-time Code Enforcement Officer (24 hours per week) is supported by an attorney supervisor and an office administrator. In addition to responding to citizen and staff inquiries, the Code Enforcement Officer investigates and documents findings, prepares evidence, patrols for violations, and works to educate the community on municipal code provisions.

Contract provider is proposing an amendment to the existing Code Enforcement/City Prosecutor contract.

- Code Enforcement experience is that the best and most effective use of Code Enforcement to insure that property related violations are brought into compliance (building, zoning, planning, use)
- Changes in the law regarding safety issues for Code enforcement Officers
- Almost all non-property related offenses reach compliance by education and communication. The lack of citable activity (only four citations issued in the last year, and all were Covid related) does not support a Code Enforcement patrol position.

The proposed amendments:

- Code Enforcement focuses on property matters including use of public property (parklets, etc)
- 24/7 phone access with response next business day
- All necessary steps to obtain compliance from investigation, pre-liminary notice, formal notice, hearings, appeals, superior court trial, collections.
- City Prosecutor and code enforcement merged for a proposed annual cost not to exceed \$60,000
- Reduce the annual cost of Code Enforcement/City Prosecutor by \$37,400

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- 102 cases opened; 70 cases closed. (Began different tracking metric and case flow)

- STR compliance 6 properties issued TOT/TID fines/penalties and cease and desist.
 - Focused on property related issues (planning/building/noise/setback violations/use)
- | | |
|--|----------------------|
| Superior Court Judgment/Recorded Property Lien: | \$ 45,472.00 |
| Code Enforcement Orders Awaiting Collection: | \$ 42,067.50 |
| Code Enforcement Orders Pending: | <u>\$ 14,023.25</u> |
| Total Amount in Code Enforcement Orders : | \$ 101,562.75 |

FISCAL YEAR 2024-25 GOALS:

- Continue to work with community for compliance through education and dialogue.
- Revise identified City Ordinances to reflect current quality of life issues.
- Conduct annual inspections of tobacco and cannabis retailers.
- Remain vigilant as short-term rentals (STR) starting to emerge from Covid-19 shutdown.
- Utilize Superior Court actions for moving Administrative awards to recordable property liens.
- Focus on property related issues including parklets
- Increase communication and coordination with City departments.

General Fund

Legal Services Division

General Ledger Department 41005

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Professional Services	\$ 378,926.00	\$ 475,690.00	\$ 337,000.00	\$ 376,250.00	\$ 369,327.00	\$ 272,000.00	\$ (104,250.00)	-28%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 1,395.00	\$ 848.00	\$ 914.00	\$ 914.00	\$ 914.00	\$ 584.00	\$ (330.00)	-36%
Expense Total	\$ 380,321.00	\$ 476,538.00	\$ 337,914.00	\$ 377,164.00	\$ 370,241.00	\$ 272,584.00	\$ (104,580.00)	-28%

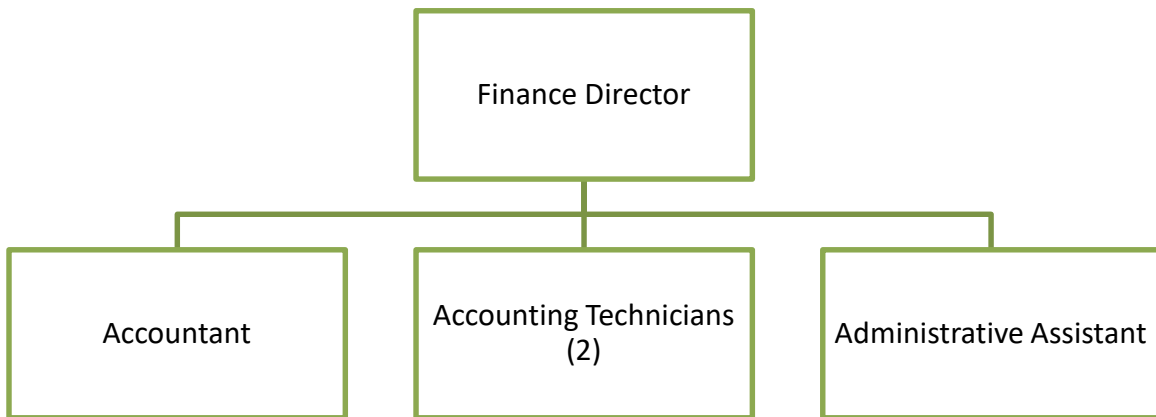
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BUDGET DETAIL FINANCE

Organizational Chart

Finance Organizational Chart





CITY OF SONOMA

Finance Division

(100-41004)

Prapti Aryal, Finance Director

The mission, vision and values of the Finance Division are to manage and safeguard City resources responsibly for the community. This is accomplished through the functional areas of accounting, billing, budgeting, and long-range financial forecasting. Responsibilities of the Finance Division include water customer setup and billing, business licenses, accounts payable, payroll, accounts receivable, cash management, annual financial audits, annual budgeting, forecasting, and financial planning. The statistical data (estimates) below provides additional perspective and insight into the daily operations.

- In FY 2023-24, the Finance Division processed over 4,500 cash receipts monthly,
- Handled monthly billing and customer service for 4,518 water utility customers,
- Renewed and managed customer service for 2,400 active business licenses plus ongoing event licenses,
- Processed 26 bi-weekly payrolls for 44 employees,
- Compiled and paid the bi-weekly, quarterly, and annual payroll tax reports,
- Processed all accounts payable for the City, averaging 50 invoices per weekly check run,
- Processed and reported the monthly TOT accounts receivable for 49 hoteliers,
- Reconciled 44 City funds,
- Oversaw cash management,
- Annual Budget development and oversight,
- Financial reporting, including reports for the County, State, Federal and many other compliance reports,
- Financial year-end close process,
- Financial statement audit reconciliation and preparation.

The Finance Division provides management review, ongoing monitoring, and comprehensive planning to enable City executive staff and City Council to make informed financial decisions. Ultimately, the Finance Division will provide and support more comprehensive planning and forecasting activities as the City addresses needs for new revenue sources and funding options.

There continues to be areas of need and focus, which include developing and documenting relevant financial policies, as well as implementing such policies via efficient procedures. Staff continuously reviews and discusses internal processes and potential improvements that may enhance the Finance Division's service to the community or provide more support to other departments within the City. The ultimate goal is to have regularly reviewed procedures and policies in place and documented so future staffing changes and transitions can occur without the work or services of the Finance Division being compromised. For several years, the Finance Division struggled to manage all the accounting management duties as well as the higher-level finance focus due to inadequate staffing levels, which had been reflected in past comments from auditors. In FY 2023-24, the City hired a Finance Director, a new position that has helped enhance leadership in the department, which substantially and positively impact the Division's ability to provide quality service to the community and maintain progress towards needed

improvement. It has also enabled the City to enact audit recommendations and better segregate duties to improve internal controls, which is imperative to the integrity of finance operations.

FISCAL YEAR 2023-2024 MAJOR ACCOMPLISHMENTS:

- FY 2023-24 comprehensive budget document was prepared and adopted on time by the City Council.
- Hired a new Finance Director to lead the department.
- Completed financial statement audit for fiscal years 2019-20 and 2020-21.
- Streamlined the water billing process from 10 days to 2-3 days.
- Assisted in the development and initial implementation process of AMI meter project, which will improve customer service, allow early detection of water leaks to prevent water loss, and drive staff efficiency.

FISCAL YEAR 2024-25 GOALS:

- Complete and issue outstanding Annual Comprehensive Financial Reports for fiscal years 2021-22 and 2022-23.
- Review, update and add relevant financial policies, including preliminary development of a finance desk manual.
- Improve procedures for fixed asset acquisition and disposition and implement biannual inventory.
- Implement a monthly process for reconciling a bank account and balance sheet accounts.
- Prepare the City's fiscal year 2025-26 Budget and submit it for state and national budget awards (California Society of Municipal Finance Officers and the Government Finance Officers Association).
- Continue cross training and identifying other opportunities for Finance staff to add value for other City Departments, residents, and customers.
- Identify areas where expanded use of technology can create operating efficiencies for the department and the City, allowing staff to provide higher value activities.
- Create an online water submission to start or stop water service allowing digital signature or a check box for authorization.
- Look into implementing additional Springbrook modules to automate time keeping and water payment entries, which are tasks currently done manually.
- Focus on ergonomics within the Finance department by optimizing workspace and equipment to enhance employee comfort, safety, and efficiency which promotes well-being and productivity.

General Fund Finance Division

General Ledger Department 41004

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 390,389.00	\$ 327,810.00	\$ 425,717.02	\$ 321,717.00	\$ 265,385.00	\$ 383,771.00	\$ 62,054.00	19%
Employee Benefits	\$ 87,075.00	\$ 83,737.00	\$ 79,703.70	\$ 62,516.00	\$ 56,970.00	\$ 88,801.00	\$ 26,285.00	42%
PERS UAL	\$ 71,274.00	\$ 58,446.00	\$ 58,446.55	\$ 58,446.00	\$ 55,705.00	\$ 642.00	\$ (57,804.00)	-99%
Professional Services	\$ 28,973.00	\$ 85,145.00	\$ 114,307.00	\$ 189,307.00	\$ 190,051.00	\$ 124,825.00	\$ (64,482.00)	-34%
Property Services	\$ 50,688.00	\$ 89,550.00	\$ 73,908.59	\$ 73,908.00	\$ 64,364.00	\$ 39,928.00	\$ (33,980.00)	-46%
Operations	\$ 4,496.00	\$ 8,019.00	\$ 9,345.00	\$ 4,545.00	\$ 1,147.00	\$ 13,455.00	\$ 8,910.00	196%
Supplies	\$ 3,546.00	\$ 2,362.00	\$ 2,500.00	\$ 2,500.00	\$ 1,372.00	\$ 2,500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 40,297.00	\$ 39,822.00	\$ 37,203.00	\$ 37,203.00	\$ 37,203.00	\$ 32,113.00	\$ (5,090.00)	-14%
Expense Total	\$ 676,738.00	\$ 694,891.00	\$ 801,130.86	\$ 750,142.00	\$ 672,197.00	\$ 686,035.00	\$ (64,107.00)	-9%

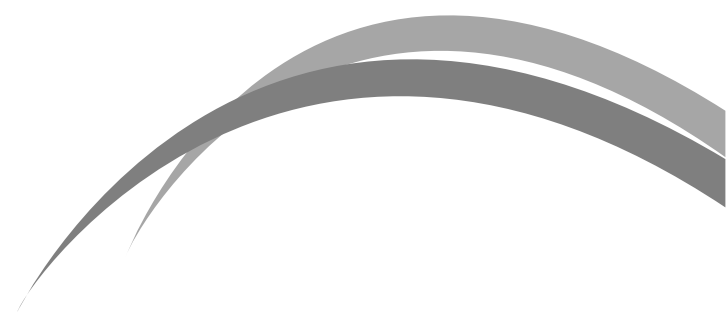
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BUDGET DETAIL

PUBLIC SAFETY

**Police Department
Fire Department**



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CITY OF SONOMA

Police Department ***(100-42101)***

Brandon Cutting, Police Chief

The Police Department is responsible for the protection of life and property, maintenance of order, control and prevention of crime and the enforcement of motor vehicle laws and regulations. We play an important role in helping to maintain and improve the quality of life in Sonoma. Since 2004, the City has contracted with the Sonoma County Sheriff's Office for law enforcement services. Per the agreement, the Chief provides the city with a "Service Plan" each year, which outlines the level of service to be provided including, but not limited to, the staffing plan, position descriptions, and training and equipment needed to perform services.

The Police Department has a staff of 16 employees, which consists of a Police Chief, two Police Sergeants, ten Deputy Sheriffs, one Community Resource Officer (Deputy Sheriff), two Community Service Officers and one Administrative Clerk (City employee). The Police Department also utilizes dedicated volunteers through the Sheriff's Volunteer in Policing Services (VIPS) program. Under the law enforcement contract, many professional administrative and managerial functions, such as dispatch, investigations, fiscal and records management, and property/evidence are handled by subject matter experts located at the Sheriff's main office in Santa Rosa.

HISTORY OF CONTRACT WITH SONOMA COUNTY SHERIFF'S DEPARTMENT

In 2004, the City entered into a five-year contract with the Sheriff's Office for law enforcement services. In 2009, the City renewed the contract for a period of ten years, ending in June 2019. In 2020, the City again renewed the contract for a five-year period, ending in 2025. The below chart outlines the total contract cost for each year of past ten-years, followed by the cost increase and percentage increase from the previous fiscal year. Also included is the Administrative Overhead percentage as a reference which is paid on salaries and benefits only and is for a variety of central and specialized services.

The current staffing level at Sonoma Police Department is sufficient and effective for deterrence of crime, response to calls for service, investigation of crimes, and improving the relationships that the department has with the Sonoma community. The Community Oriented Policing position was staffed beginning in January 2024. This position is instrumental in focused law enforcement activities related to school safety, neighborhood related issues, and focused retail theft prevention. Taking on many of these community related issues will allow the traffic safety officers, currently assigned to patrol, to dedicate a majority of their time to the specific traffic issues that affect the safety of vehicles, bicycles, and pedestrians alike.

Every staff member of the Sonoma Police Department has been selected based on the value added to the Sonoma community. The department is dedicated to meeting the needs and goals of the City Council and community through effective policing strategies designed in coordination with the City Manager and the Chief of Police. The Sonoma Police Department belongs to the City of Sonoma with the added value of having the administrative, investigative, and technical tools that the larger Sonoma County Sheriff's provides the city. With staffing issues affecting agencies across the state and region, the Sheriff's Office

ensures that this is not an issue that Sonoma must address by supporting all staffing needs of the department regardless of circumstances or timing.

Fiscal Year	Contract Cost Actual	Cost Change	Percent increase	Overhead Percent*	Comment
24-25	6,217,192	872,663	16.3%	32.32	Administrative overhead increase for training, Insurance and Liability increase. Labor contract increase.
23-24	5,344,529	254,784	5%	27.9	Labor contract increase. 2 nd CSO position added mid-year 22-23 budget, now full-time.
22-23	5,089,745	22,063	.44%	26.65	No additional staff added. COP deputy position vacant due to staffing (\$255,445)
21-22	5,067,682	790,728	15.6%	24.76	Restore vacant Deputy; Restore CSO position mid-fiscal year.
20-21	4,276,954	-161,286	-3.77%	25.07	Reduction in staffing: Deputy and CSO vacant, elimination of Admin Aide, elimination of K9 Officer and School Resource Officer
19-20	4,438,240	-110,721	-2.43%	26.03	Cost savings realized- decreased detective time & reduced service/supply costs due to COVID restrictions.
18-19	4,548,961	310,313	7.32%	26.18	Labor contract increase and grant expense added. FEMA cost absorption from Sheriff October 2017 fires.
17-18	4,614,201 Approved Budget 4,238,648 Actual Cost	56,162	1.32%	26.40	One time fire reduction of \$345,378 by Sheriff; 3% salary increase; insurance; Administrative
16-17	4,182,486	39,982	1.0%	24.78	3% salary increase; health care
15-16	4,142,504	245,118	6.3%	22.76	SRO contribution started.
14-15	3,897,386	-28,656	-0.7%	22.15	

FISCAL YEAR 2022-23 ACCOMPLISHMENTS:

- Contracted with FLOCK Safety to have 16 automated license plate readers installed with the only lawful use to assist the Police Department in solving crimes involving a vehicle. To date 1,827,288 license plates have been read. This data has been used to solve more than 30 cases, 26 of which likely could not have been solved without the assistance of the vehicle data from FLOCK.
- Working with the City of Sonoma, Sonoma Valley Unified School District, and the Sonoma County Sheriff’s Office, the Community Resource Officer (CRO previously referred to as the COP) was assigned full-time to the Sonoma Police Department.
- Managed the Law Enforcement Services contract with the County to ensure the delivery of high-quality public service and fiscal accountability.
- Increased public outreach and education to continue to build and improve public trust.
- Provided training to the Sonoma Valley Unified Schools for “active shooter” and threat response during in-service training at each of the school sites.

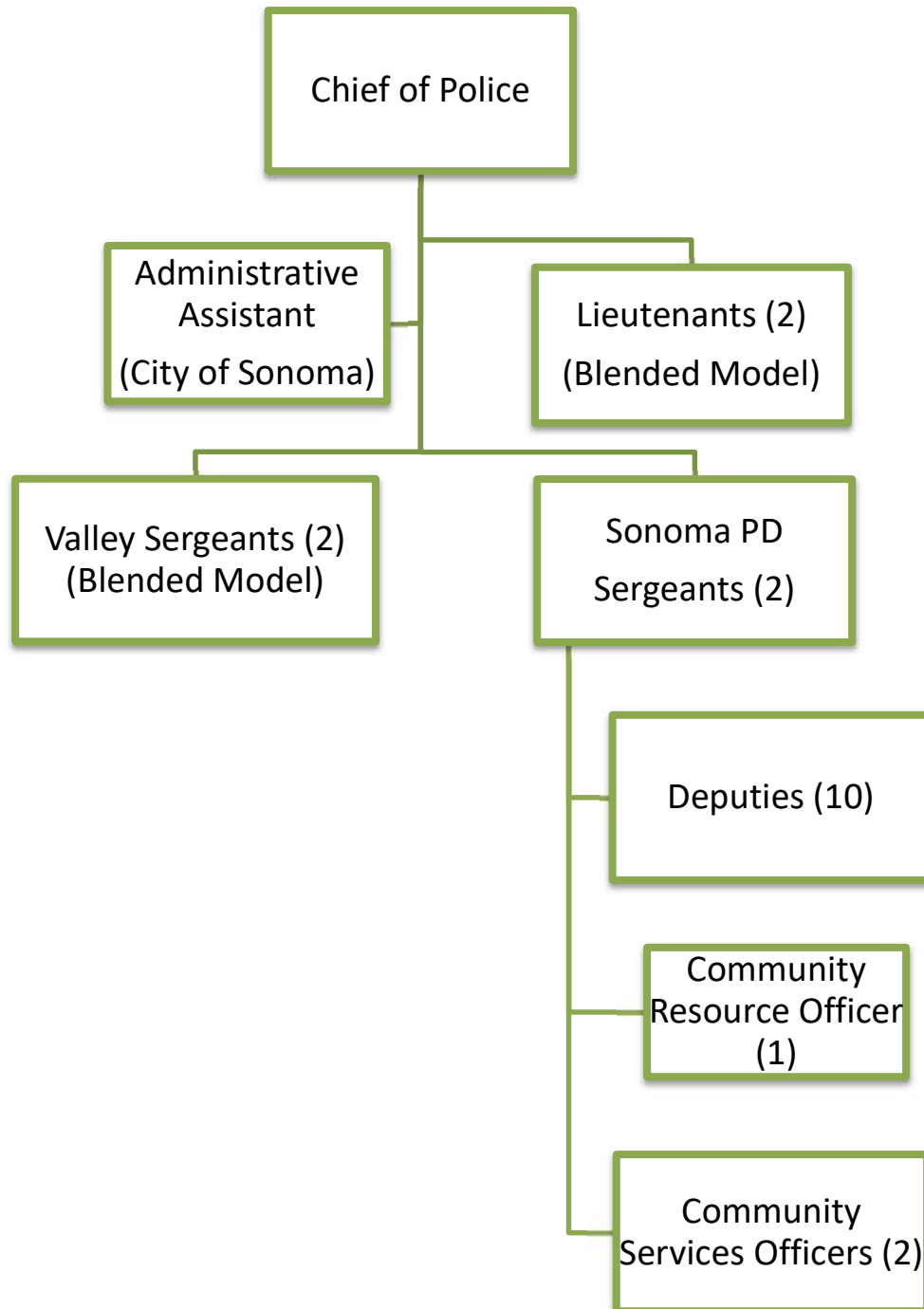
- Created response plans for each school site as well as every location throughout the city that has gatherings of 100 people or more on a regular basis. Provided training in the implementation of the plans to ensure each staff member understands the process and
- Acquired advanced training for Police staff on DUI investigations, accident investigations, technology related crimes, and advanced tactical response to in progress crimes.
- Conducted focused traffic safety enforcement at locations around the city to address community concerns. Traffic citations have nearly doubled this year, with the largest traffic enforcement period yet to come as pedestrian traffic increases for the warmer weather.
- Increased participation in city-based community groups, to include City Council appointed Committees to ensure up-to-date statistics on safety and traffic related issues are provided.
- Conversion of the last fleet patrol vehicle into the Sonoma County replacement program, ensuring that the vehicle fleet will follow the highest industry standards as law enforcement vehicles transition from fuel to Hybrid and eventually electric.

FISCAL YEAR 2023-24 GOALS:

- Manage the Law Enforcement Services contract with the County to ensure a high quality of public service and fiscal accountability.
 - Improve traffic safety through deterrence and enforcement actions by patrol staff. Improve the working relationship between Public Works traffic safety plans and patrol/traffic enforcement staff to ensure that all available tools are being employed.
 - Research additional grant opportunities consistent with our mission.
 - Continue to build relationships with community leaders, churches, schools and clubs.
 - Continue strong community outreach through “Coffee with a Cop” program, Citizen’s Academy, Responsible Beverage Service training, and our presence at many of our local events.
 - Recruit, select, and train new Volunteers in Policing Service (VIPS) and Explorer Scouts (program is in the recruitment phase currently).
 - Continue to provide training to each school site during staff days for active shooter and site walkthroughs to ensure each staff member understands the demands on them when a threat is on or near the campus.
 - Provide training to city staff and review response plans with city staff for active threat situations.
 - Continue to improve relationships with retail businesses, wine industry, and neighborhood groups through organized meetings and training to address the needs of each specific organization.
 - Be accessible and approachable. We will work to ensure all members of the community have access to speak with the deputies and Chief of the Police Department when they need to.
 - Conduct fund raising to be able to implement the “Every 15 minutes” program at Sonoma Valley High School during the 24-25 school year.
 - Develop a plan to ensure the Sonoma Police facilities can support a mixed fleet of gas and electric patrol vehicles as the future industry standard.
-

Police Department -- Organization Chart

(The City contracts with the Sonoma County Sheriff's Office to provide law enforcement services in Sonoma.)



General Fund

Police Department

General Ledger Department 42101

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 61,102.00	\$ 78,821.00	\$ 83,436.27	\$ 83,436.00	\$ 84,146.00	\$ 86,122.00	\$ 2,686.00	3%
Employee Benefits	\$ 34,581.00	\$ 39,078.00	\$ 41,191.04	\$ 41,191.00	\$ 38,530.00	\$ 42,985.00	\$ 1,794.00	4%
PERS UAL	\$ 264,994.00	\$ 316,421.00	\$ 316,421.41	\$ 316,421.00	\$ 315,287.00	\$ 539,032.00	\$ 222,611.00	70%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Sheriff Contract	\$ 4,805,037.00	\$ 4,878,982.00	\$ 5,344,529.00	\$ 5,344,529.00	\$ 5,337,084.00	\$ 6,217,192.00	\$ 872,663.00	16%
Property Services	\$ 117,574.00	\$ 138,076.00	\$ 368,314.71	\$ 368,314.00	\$ 272,918.00	\$ 366,528.00	\$ (1,786.00)	0%
Operations	\$ 201,237.00	\$ 220,275.00	\$ 212,050.00	\$ 212,050.00	\$ 264,138.00	\$ 212,050.00	\$ -	0%
Supplies	\$ 88,100.00	\$ 78,530.00	\$ 78,200.00	\$ 78,200.00	\$ 90,746.00	\$ 78,200.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 69,089.00	\$ 55,206.00	\$ 55,097.00	\$ 55,097.00	\$ 55,097.00	\$ 53,728.00	\$ (1,369.00)	-2%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 5,641,714.00	\$ 5,805,389.00	\$ 6,499,239.43	\$ 6,499,238.00	\$ 6,457,946.00	\$ 7,595,837.00	\$ 1,096,599.00	17%

*unaudited

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CITY OF SONOMA

Fire Department (100-42201)

Sonoma Valley Fire District

Stephen Akre, Fire Chief

The mission of the Fire Department is to protect the quality of life for present and future generations through interaction with our community, compassionate service, and an atmosphere that encourages innovation, professionalism, and diversity. The City's Fire Department is operated through a long-term successful collaborative partnership with the Sonoma Valley Fire District (formerly the Valley of the Moon Fire Protection District).

The Fire Department now consists of 75 full-time staff, one part-time staff member, and a cadre of 50+ dedicated volunteer firefighters who supplement daily staffing. The daily staffing consists of 22 personnel who staff five engine companies, three ambulances, and a command vehicle out of five strategically located fire stations. The Fire District also provides staffing on three shifts to the Kenwood Fire District, and on one shift (two personnel) covering the Eldridge Fire Department, stationed at the Sonoma Developmental Center. In July of 2020, the Valley of the Moon and Glen Ellen Fire Districts along with the Mayacamas Fire Department formally consolidated into the Sonoma Valley Fire District. This has resulted in increased staffing in the District and improved services to all of the Communities the Fire District serves, by adding much needed capacity and efficiencies to the District's response system.

The Fire Department provides advanced life support (ALS) medical services through the use of dual-role firefighters, who are also trained as paramedics. All staffed engines and ambulances are ALS equipped and staffed with at least one paramedic, oftentimes two or three.

The Fire Prevention Division is responsible for ensuring the safety of the community, as well as the members of the fire department, through public education, fire inspection and code enforcement, conducting plan reviews of residential and commercial occupancies, and providing fire investigation services to determine cause and origin.

The District entered into a contract for services with Whittman Enterprises to provide ambulance billing services in July 2020. Billing is efficiently handled using advanced software that integrates with the Fire Department's records management system. Effective November 1, 2023 the SVFD updated our fee schedule, which included an increase in EMS rates and a corresponding increase in EMS revenues.

RECENT CHALLENGES AND SUCCESSES

Through the recent passage of Measure H, the need to identify long-term funding for the 3 minimum staffing firefighter/paramedics (former SAFER Grant positions) that are critical to providing Fire and EMS services to the City, has been accomplished. Measure H will provide permanent long-term funding for these three positions. Measure H will also fund support services in Prevention/Inspection as well as in Fleet Maintenance.

HISTORY OF CONTRACT WITH THE FIRE DISTRICT

From 2001 through 2011, the Sonoma Valley Fire and Rescue Authority (SVFRA) operated under a joint-powers agreement (JPA) between the City of Sonoma and the Valley of the Moon Fire Protection District

for joint purchasing, training, and staffing. Through collaborative discussions between the two agencies, it was determined that the most strategic and cost-effective model for sustainability of all-risk fire and EMS services was for the City of Sonoma to contract with the Valley of the Moon Fire Protection District.

On December 19, 2011, the City Council approved a Contract for Services with the Valley of the Moon Fire District for five years with an initial term that ended on February 1, 2017. The contract has been renewed twice by the City Council and Fire Board for additional five-year terms, first in January 2017 and again in March of 2022. This contract remains in effect through March 2027 with the Sonoma Valley Fire District.

Under the terms of the contract for services, the expenditures of the historic SVFRA are split between the City (57%) and the Fire District (43%). The City receives 100% of the Emergency Medical Services transport revenues, including governmental reimbursement programs such as the Ground Emergency Medical Transport (GEMT) and Intergovernmental transfer (IGT). Each agency retains financial responsibility for its own buildings, vehicles, and capital expenditures. All City fire employees were transitioned to the Valley of the Moon Fire Protection District in 2012. The City is still required to pay the unfunded liability for the prior employees' PERS costs. For the purposes of this budget, the revenues and expenditures are the City's portion of the shared SVFRA budget fund. The chart below shows historical costs and revenues.

Contract Update for FY 2024-25:

The SVFRA's combined Operations budget for Fire and EMS services for will increase by \$233,784 (3.7%) from the previous year's approved Budget. These changes are based on the following key budget modifications:

- Increased employee salary costs associated with contractual cost of living adjustments as well as a significant number of employees moving up a salary step .
- A large increase in medical insurance rates. This is the first big jump in about 4 years.
- An increase in workers compensation costs.
- Minor increases in services and supplies directly related to the increased costs for supplies.
- Decrease of \$178,972 in REDCOM Dispatch fees.
- An estimated increase of \$8,063 in property and liability insurance costs.

One key Budget unknown is the impact of final property and liability insurance rates, which will not be known until late May or early June.

Fiscal Year	Total Contract Cost	Cost Increase	% Change	EMS Revenue	Net Fire/EMS Costs	Net % Change	Comment
24-25	6,516,433	233,784	3.7%				COLA, insurances, & WC
23-24	6,282,649	339,952	5.7%	\$2,355,999***	-	-	COLA, retire, & Insurances
22-23	5,942,697	347,837	6.2%	\$2,134,435**	-	-	COLA + COVID Costs
21-22	5,594,860	217,548	4.0%	\$2,732,512*	\$2,862,348	4.4%	COLA + COVID costs
20-21	5,377,311	-102,147	-1.9%	\$2,637,093*	\$2,740,218	-11.7%	COVID reductions
19-20	5,479,458	224,416	4.2%	\$2,375,871*	\$3,103,586	-3.5%	2 years COLA, +16% Health
18-19	5,255,042	85,435	1.7%	\$2,037,700	\$3,217,342	-0.5%	+ 2.5% ER retire
17-18	5,169,607	166,776	3.3%	\$1,937,000	\$3,232,607	2.9%	COLA, +EE 1.5% retire, + 20% WC, + health
16-17	5,002,831	166,197	3.4%	\$1,860,561	\$3,142,270	-0.1%	COLA, +EE 1.5% retire; health, FC recruit

15-16	4,836,634	131,446	2.8%	\$1,690,788	\$3,145,846	2.1%	COLA, +EE pay 100% retire, +health, OT budget adj., REDCOM
14-15	4,705,188	96,526	2.1%	\$1,626,443	\$3,078,745	- 4.6%	COLA, +EE pay 2/3 retire, OT budget adj. + utilities, + health, CQI
13-14	4,608,662	130,209	2.9%	\$1,381,200	\$3,227,462	17.6%	COLA, SCERA + 3.7%, + EE pay 1/3 retire
12-13	4,478,453	331,977	8.0%	\$1,733,919	\$2,744,534	11.4%	Cost formula change from 53/47 to 57/43
11-12	4,146,476	-68,241	-1.6%	\$1,683,275	\$2,463,201	- 3.8%	Start of 5-year contract
10-11	4,214,717	-	-	\$1,654,250	\$2,560,467	-	Last year of JPA

*does not include GEMT reimbursements

** Does not include GEMT or IGT reimbursements

*** Projected revenue based on 9 month actuals. Does not include GEMT or IGT

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

GENERAL:

- Staff worked to successfully design and pass the Countywide Fire Services sales tax Measure H. Measure H will provide an estimated \$731,600 directly to fund improved Fire and EMS services in the City. There will also be an estimated \$178,274 savings to the City as Measure H will also fund REDCOM Dispatch fees.
- Participated in and received nearly \$40,000 in reimbursement for in-service training through a collaboration with the Industrial Emergency Council and Palo Verde College
- Continue to collect Fire Impact Fees to help offset apparatus replacement costs
- Third consecutive year we provided our employees with thorough annual physicals
- Executed a long-term staffing agreement with the Kenwood Fire Protection District
- Secured a cost sharing grant through the California State Firefighter Association for new turnouts
- Hired 7 new full-time firefighters and 17 new volunteer firefighters

FIRE PREVENTION/PUBLIC EDUCATION:

- Obtained grant funding to renovate SVFD Station #1's landscaping, ensuring it meets residential fire safety standards. This project serves as a demonstration to the community, setting a precedent for compliant landscapes.
- The Board of Forestry has approved our application to include our fire district on the Fire Risk Reduction Community List. This designation, recognizing our adherence to best practices in local fire planning, will enhance our and our community partners' ability to secure grant funding successfully.
- Worked with the Grove St Fire Safe Council to certify the George Ranch as a FireWise Community.
- Worked with Mayacamas Fire Safe Council to successfully be awarded a grant for a shaded fuel break on Trinity Road, and to certify them as a FireWise Community.
- Partnered with Audubon Canyon Ranch-Fire Forward to host two prescribed burns in the Diamond A area to reduce fire risk.
- Recruited more part-time staff members for our fuels management team and curbside chipper program. As we enter our second season, our workload is projected to surpass last year's,

underscoring the program's effectiveness and our ability to offer valuable assistance to the community at no cost, thanks to the backing of Sonoma County and the support of the Fire District.

- Collaborated with Cal Fire and Sonoma Ecology Center to develop future fuels management projects within the Valley.
- Worked with community members in Glen Ellen to submit grants for fuels management projects
- Enhanced the website to offer more comprehensive information to our community and members, while ensuring compliance with ADA accessibility standards.
- Participated in Sonoma County WEB EOC Training to ensure readiness for disasters and our ability to utilize the new software platforms to enhance communications and needs requests.
- Continued involvement with the Sonoma Valley Homelessness Committee.
- Sustained the effective execution of the department's Canine Therapy Program, while expanding its reach to include collaboration with other community organizations and the local high school.
- Completed 100% of State Mandated Fire Inspections in schools, apartments, hotels and places of assembly.
- Currently training a new UAS (drone) pilot who will be taking the FAA Pilots License Part-107 test soon. This will ensure a pilot on each of our 3 shifts.
- Acquired a new UAS (drone) that perfectly aligns with the organization's requirements, enhancing the fleet's capabilities and compliance. Funding sourced from the Sonoma Volunteer Firefighter's Association.
- Received a donation of a used UAS (drone) to add to the fleet as a training unit.
- Attended numerous community events including: Great Shake Out Drill, Emergency Preparedness Fair, Grove Street Fire Safe Council community event, High School Career Fair, Women's Day event (promoting women in the fire service), and many others.

EMERGENCY MEDICAL SERVICES (EMS):

- Started a Leave Behind Narcan program to reduce opioid deaths and provided community education to Sonoma Valley High School
- Completed GEMT reporting for FY18/19, FY19/20, FY20/21 & FY21/22
- Continue to participate in the Ground Emergency Medical Transport (GEMT) and the Inter-Governmental Transfer (IGT) reimbursement programs
- Took delivery of a new ambulance to replace the oldest in the fleet, 20+ years old.
- Supported 1 more full-time firefighters through paramedic school, and accredited 5 more paramedic preceptors to help train more paramedics region wide
- Partnered with the non-profit, Just1mike foundation to place 2 outdoor AEDs in the city limits. One at Depot Park and one on the Plaza
- Conducted joint trainings with Sonoma Valley Hospital on critical cardiac patients
- Trained all Paramedics in the transport of patients on blood products to help alleviate SVH patient load due to the lack of critical care transport ambulances.
- Conducted monthly free, Hands Only CPR classes for our community.
- Began teaching Hands Only CPR to all 7th graders in the SVUSD

LOGISTICS (FACILITIES AND VEHICLES):

- Took delivery of a new Type 3 Wildland Fire Engine for Station 3. The replaced Type 3 is being kept as a ready reserve unit.
- Took delivery of two new command vehicles for the Fire Marshal (Hybrid Vehicle) and Training Officer
- Purchased a new specialty wildfire response vehicle (3348) to replace an outdated vehicle.
- The older chassis was repurposed as a stake-side utility vehicle with a lift gate.
- Completed a Seismic Retrofit of Fire Station 5 (Glen Ellen).

- Installed solar power systems at Stations 3 & 5
- Installed a new energy efficient heat pump system at Stations 2 & 3. Grant funded through PG&E.
- Replaced the aging HVAC system at Station 2 with a new energy efficient system.
- Replaced the personal protective equipment gear racks and storage system at Station 1.
- Improved/Upgraded infrastructure at Stations 8 and 9 (Funding through Mayacamas Fire Foundation)

TRAINING/OPERATIONS:

- Upgraded our Mobile Data Terminals in all apparatus to I-Pads with fire based software systems.
- Completed promotional testing for Fire Engineer and Fire Captain.
- Completed Internal and Lateral testing processes for Firefighter
- Deployed resources, Fire Engines and Command Staff to 12 separate incidents throughout the North Bay and California.
- Formulated an agreement between SVFD and Rancho Adobe Fire District to respond to animal technical rescues within our response areas in eastern Sonoma County.
- Conducted an Animal Technical Rescue course for SVFD members.
- Acquired new portable Motorola radios to have the latest advanced communication capabilities including the ability to communicate directly with law enforcement. (100% Fire District Budget)
- Participated in Urban Area Security Initiative (UASI) grant funded training
- Conducted Driver Operator 1A and 1B courses

FISCAL YEAR 2024–25 GOALS:

GENERAL:

- Actively support efforts to pass a ½ cent Countywide Sales tax to improve Fire Services
- Pursue formal consolidation with the Kenwood Fire Protection District through LAFCO
- Continue to be actively engaged in the Planning Process for Sonoma Developmental Center (SDC)
- Continue to be actively involved both regionally and statewide in Fire Service leadership, including: Fire Operational Area Coordinators, REDCOM (Board President, DOAG Chair, and Duty Officers), Fire District and Chiefs’ Associations (President), EMS, and Cal Chiefs, and FRMS Boards (work comp)
- Support Integration of both the Schell-Vista and Kenwood Explorer posts into Sonoma Valley Fire

FIRE PREVENTION/PUBLIC EDUCATION:

- Continue to develop our Fuels Management and Defensible Space Program including Vegetation Management Inspections, Chipper Program, and prescribed burning
- Continue to support community groups, fire safe councils, and FireWise communities in efforts towards emergency preparedness and hazard mitigation.
- Continue to collaborate with Fire Safe Sonoma to formalize the Claudia/Linda Street areas as a FireWise community.
- Continue to promote and deliver our Emergency Preparedness Training Program in English and Spanish – Sonoma Citizens Organized and Prepared for Emergencies (SCOPE)
- Utilizing Measure H funding, employ additional personnel within the fire prevention office to strengthen efforts in wildfire preparedness, mitigation, and inspections related to vegetation management and compliance.
- Strengthen the Districts’ social media engagement, content and frequency.
- Purchase new fire prevention vehicle for planned future position.

- Continue to collaborate with Department of Emergency Management for drill and exercise opportunities in the Sonoma Valley.
- Expand hands only CPR to all SVUSD 7th graders annually

EMERGENCY MEDICAL SERVICES (EMS):

- Continue to place more outdoor AEDs throughout the district. Plans are already in place for one at Glen Ellen Market, one at Jack London State Park, and one at the Kenwood Plaza Park.
- Support 3 newly hired Firefighter/EMTs through successful completion of their Paramedic certification.
- Continue to improve access to mental health support for all our members

LOGISTICS (FACILITIES AND VEHICLES):

- Place an order for a new ambulance. City purchase
- Finalize specifications for two new Type 1 Rural Fire Engines. District purchases
- Place an order for a new Fire Prevention and Command Staff vehicles. Measure H purchases.
- Finalize purchase of two properties for a new Fire Station 2. Measure H Funds – District
- Complete Fire Station 1 Project list: HVAC, paving, balcony, painting, etc

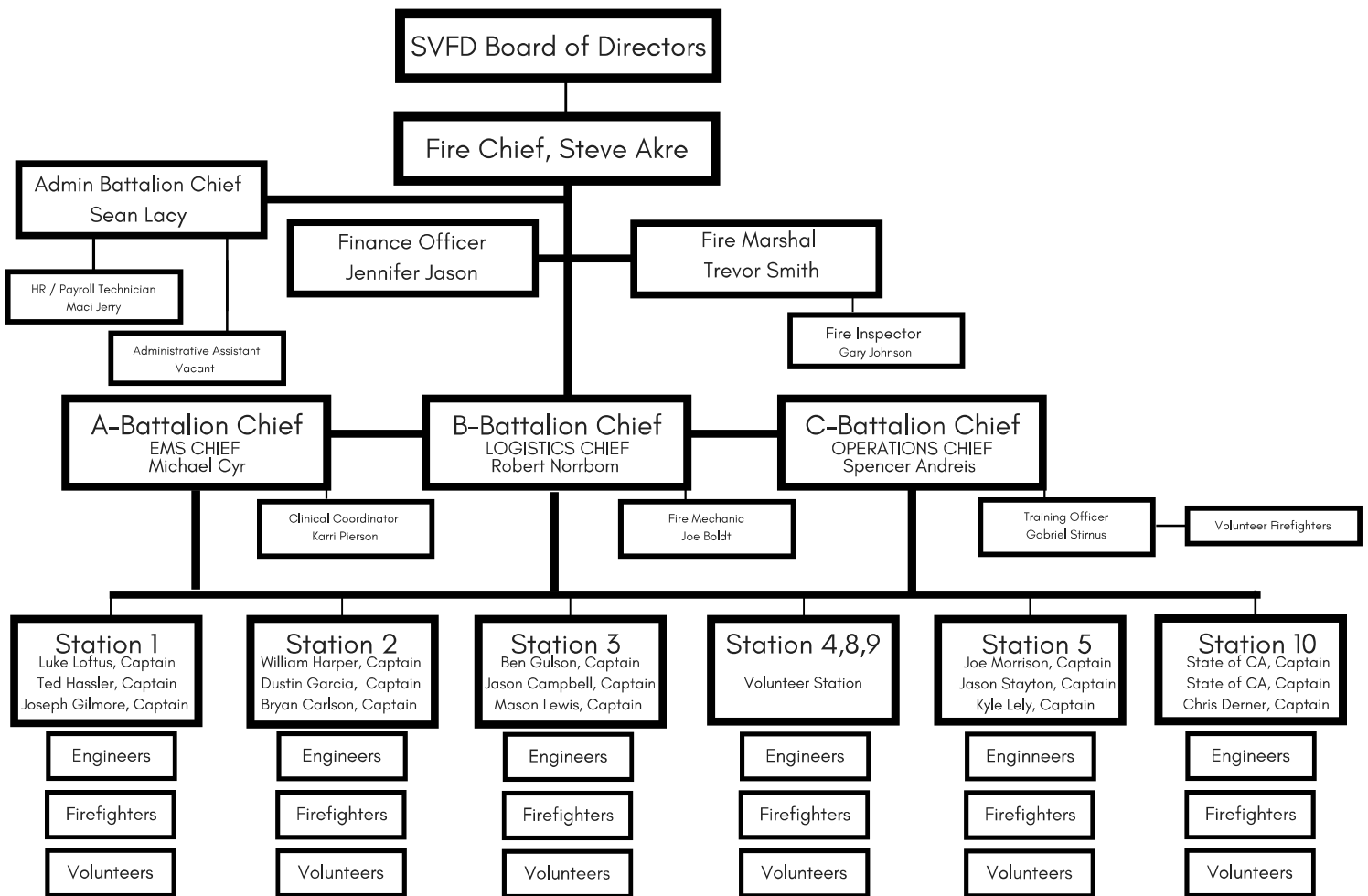
TRAINING/OPERATIONS:

- Complete promotional processes for Fire Engineer, Fire Captain and Fire Battalion Chief
 - Enhance regional training opportunities with external partners
 - Create SVFD Rescue Team, establish SOP's and annual training requirements
 - Develop and deliver company officers academy for newly promoted officers
 - Continue to seek grant funding opportunities for extrication and rescue equipment
 - Continue to pursue grant funding for additional regional training
 - Review and update the Career Development Guide
-

SONOMA VALLEY FIRE DISTRICT

ORGANIZATIONAL CHART

REVISED 03/2022



General Fund Fire Department

General Ledger Department 42201

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
PERS UAL	\$ 487,845.00	\$ 535,517.00	\$ 533,725.00	\$ 533,725.00	\$ 516,454.00	\$ 838,381.00	\$ 304,656.00	57%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
SVFRA Contract	\$ 5,647,345.00	\$ 6,332,913.00	\$ 6,773,055.00	\$ 6,773,055.00	\$ 6,773,054.00	\$ 6,554,311.00	\$ (218,744.00)	-3%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ 103,504.00	\$ (37,095.00)	\$ 130,560.00	\$ 124,560.00	\$ 43,348.00	\$ 147,720.00	\$ 23,160.00	19%
Supplies	\$ -	\$ 31,746.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Software & Equipment	\$ -	\$ 2,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 396,304.00	\$ 362,841.00	\$ 352,118.00	\$ 352,118.00	\$ 380,532.00	\$ 395,829.00	\$ 43,711.00	12%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 6,634,998.00	\$ 7,227,922.00	\$ 7,789,458.00	\$ 7,783,458.00	\$ 7,713,388.00	\$ 7,936,241.00	\$ 152,783.00	2%

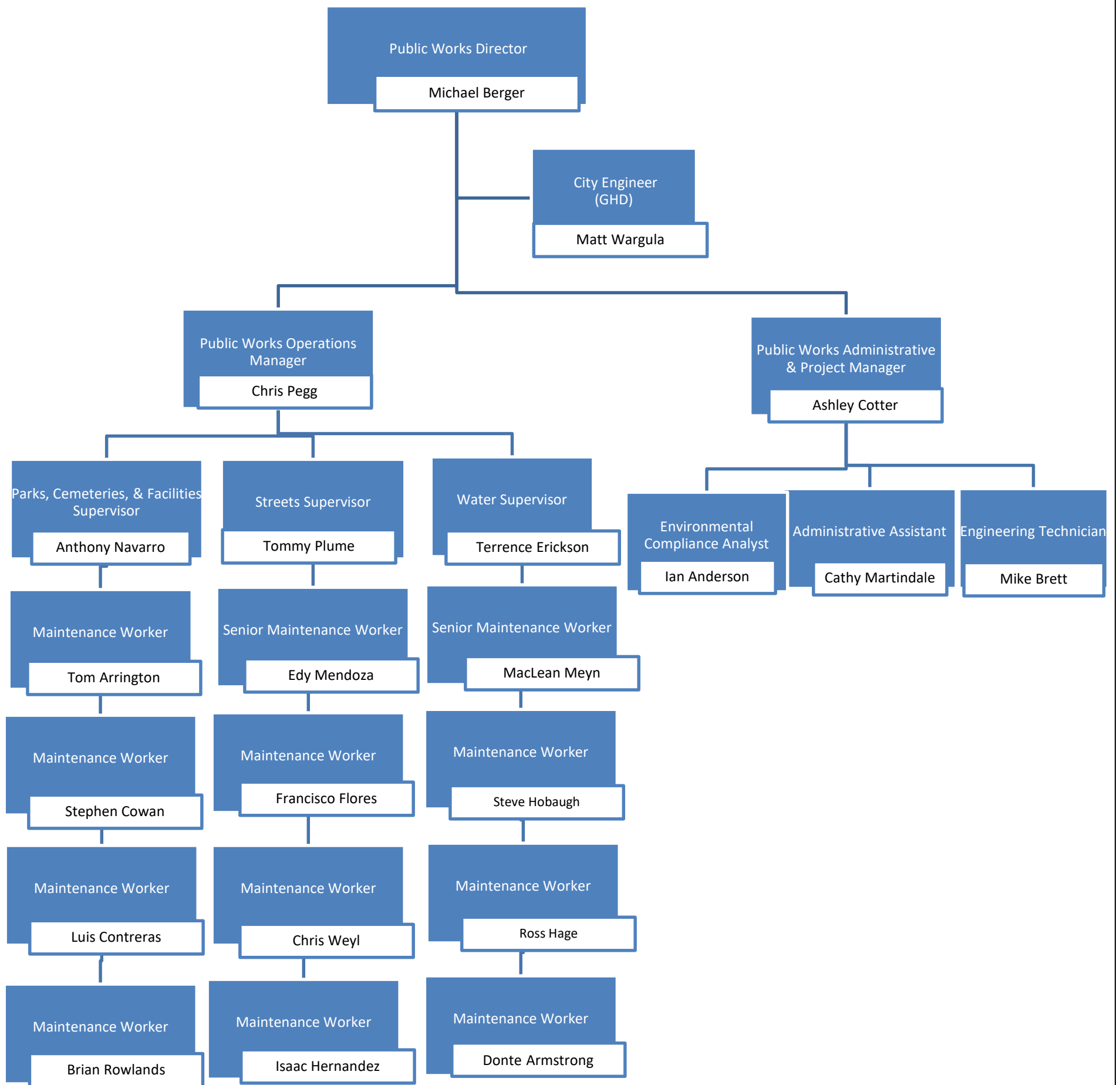
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BUDGET DETAIL

PUBLIC WORKS

Organizational Chart
Administration & Stormwater
Streets Maintenance
Parks Maintenance

City of Sonoma Public Works Department Organizational Chart





CITY OF SONOMA

Public Works Department **Administration & Stormwater (100-43020)**

Michael Berger, Public Works Director

The mission of the Public Works Department is to serve the needs of Sonoma's citizens by maintaining, operating, and improving the City's infrastructure, including: transportation, water distribution, well water supply, storm drainage, parks and trails, City-owned streetlights, City-owned buildings, and City-owned cemeteries. This public infrastructure is the foundation that connects the City's businesses, communities, and people; drives our economy; improves our quality of life; and ensures our public health and safety. The Department also serves a coordination role for special events, other utilities, and solid waste/recycling/compost collection services. Public Works has 21 full-time staff positions. The Department cross-trains staff to maximize cross-functional resource sharing efficiencies across various programs.

In addition to supporting the City Council with respect to public infrastructure and related matters, the Public Works Department staff represent the City on the following staff-level regional committees: Sonoma County Transportation Authority Technical Advisory Committee (SCTA TAC), Sonoma County Water Agency Water Contractors Technical Advisory Committee, Sonoma Valley Groundwater Sustainability Agency Working Group, the Sonoma County Water Agency Flood Protection Zone 3A Advisory Committee, and the Sonoma County Parks Measure M Technical Advisory Committee.

The Storm Water Pollution Prevention program works to protect local creeks and the bay from pollutants associated with storm water runoff. The three creeks receiving storm water runoff from the City of Sonoma are Nathanson Creek, Sonoma Creek, and Fryer Creek. Storm Water Pollution Prevention is a rapidly evolving function to comply with the State and Federal discharge requirements included in the Municipal Phase II Storm Water Permit. The Storm Water Pollution Prevention program also supports flood prevention efforts and competes for grant funding to address the City's storm water needs. This program is funded primarily through the City's General Fund.

The Engineering Services program provides engineering and technical support to various City departments, responds to citizen inquiries about public infrastructure and traffic concerns, performs development review and plan check, performs engineering and construction management of capital improvement projects, provides mapping and engineering records support, and seeks grant funding for capital projects.

FISCAL YEAR 2023–24 ACCOMPLISHMENTS

Stormwater Pollution Prevention

- Storm Water Discharge Permit compliance activities, including: development review and inspection, public education, spill response, and water quality monitoring.
- Contracted with Sonoma County to use Clean Streams in Southern Sonoma County grant funds to advance CIP-CD3 for Trash Capture at Leveroni and Broadway.

Engineering Services / Development / Traffic Safety

- Managed contract with Moe Engineering for on-call development services.

- Provided City Engineer and inspection services for development projects and work performed in the City's right-of-way under encroachment permits.
- Responded to requests for outside service area connections to the City's water system.
- Responded to requests for lot line adjustments, lot mergers, and deferred improvement agreements.
- Began utilization of the OpenGov system for both online encroachment permits and development projects.
- Coordinated Parks Recreation and Open Space Commission and Traffic Safety Committee meetings at least quarterly.
- Advanced or completed numerous CIP projects in various stages of planning, design and/or construction (see CIP summary sheets for details on each CIP project).
- Received or continued working on grants funding the Sonoma Overlook Trail project, 3 stream waste receptacle installation at the Plaza, AMI water meter infrastructure project, the Broadway/Leveroni trash capture project and the GoSonoma Citywide roadway safety improvement project.
- Completed first on call concrete work at the Plaza and Maysonnave House.

FISCAL YEAR 2024–25 GOALS:

- Assist with Council goals related to parks, streets, cemetery, and water as outlined in the Council's strategic goals.
- Serve the needs of Sonoma's citizens by maintaining, operating, and improving the City's infrastructure, including City-owned buildings and storm drainage.
- Onboard and train new employees on Public Works Team.
- Continue to cross-train staff to maximize cross-functional resource sharing efficiencies across various programs.
- Serve in a coordination role for other utilities.
- Document development review and encroachment permit processes.
- In partnership with other regional agencies, develop a required grant applications to address statewide stormwater trash capture requirements.
- Complete design and/or start construction on numerous CIP projects (see CIP summary sheets).
- Complete a prioritized assessment of the City's most critical storm drain infrastructure.
- Continue on call concrete work on displaced curb, gutter and sidewalk and outdated ADA ramps.

CHALLENGES:

The Public Works Department, Administration & Stormwater Division has several challenges, including: aging infrastructure, ADA compliance needs, increasingly stringent stormwater regulations, limited staff resources, incomplete development review process documentation, and evolving state and federal regulations.

General Fund

Public Works Division

Administration & Stormwater

General Ledger Department 43020

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 167,064.00	\$ 227,945.00	\$ 239,764.51	\$ 239,764.00	\$ 240,172.00	\$ 277,542.00	\$ 37,778.00	16%
Employee Benefits	\$ 38,808.00	\$ 46,302.00	\$ 58,477.29	\$ 58,477.00	\$ 44,511.00	\$ 97,633.00	\$ 39,156.00	67%
PERS UAL	\$ 41,303.00	\$ 699.00	\$ 699.02	\$ 699.00	\$ 666.00	\$ 37,804.00	\$ 37,105.00	5308%
Professional Services	\$ 67,879.00	\$ 4,959.00	\$ 83,900.00	\$ 83,900.00	\$ 104,202.00	\$ 83,900.00	\$ -	0%
Cost Recovery	\$ 89,381.00	\$ 80,395.00	\$ -	\$ 104,000.00	\$ 107,424.00	\$ -	\$ (104,000.00)	-100%
Property Services	\$ 145,962.00	\$ 39,936.00	\$ 37,093.69	\$ 37,093.00	\$ 42,419.00	\$ 40,100.00	\$ 3,007.00	8%
Operations	\$ 70,853.00	\$ 100,272.00	\$ 32,250.00	\$ 31,050.00	\$ 32,080.00	\$ 36,700.00	\$ 5,650.00	18%
Supplies	\$ 14,882.00	\$ 11,067.00	\$ 11,500.00	\$ 11,500.00	\$ 16,109.00	\$ 13,700.00	\$ 2,200.00	19%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 12,972.00	\$ 15,890.00	\$ 72,827.00	\$ 42,827.00	\$ 21,535.00	\$ 68,411.00	\$ 25,584.00	60%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 649,104.00	\$ 527,465.00	\$ 536,511.51	\$ 609,310.00	\$ 609,118.00	\$ 655,790.00	\$ 46,480.00	8%

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CITY OF SONOMA

Public Works Department Streets Maintenance (100-43022)

Michael Berger, Public Works Director

Keeping Sonoma Moving Safely! The Streets Maintenance Program maintains the City's roads, bridges, sidewalks, bike paths, and storm drains. This includes 34 miles of roads, 11 bridges, four miles of bike paths, 40 miles of storm drain pipes, three miles of roadside ditches, over 2,000 road signs, and 485 storm drain inlets. In addition to directly implementing maintenance activities, the program also includes select administration of the City's ordinances controlling vehicle parking, sidewalk trip hazards, illegal dumping, vehicle-type restrictions on designated roads, right-of-way encroachments, and correction of some issues related to street trees.

The Streets Maintenance Program is funded by the General Fund. The program's annual budget includes expenses for personnel, equipment, materials, and services.

FISCAL YEAR 2023–24 ACCOMPLISHMENTS:

- Maintained the appearance of City streets, reduced litter, improved storm drain performance, and improved water quality in the City's creeks through daily street sweeping activities.
- Timely completed repaving of utility trench cuts for all City-controlled underground utility work.
- Supported the Chase Street Bridge Replacement project on key tasks prior to construction.
- Extended the useful life of asphalt paving on City streets by sealing cracks with an adhesive sealant to prevent moisture intrusion into the road base.
- Coordinated and implemented storm preparedness, response, and recovery for all significant precipitation events.
- Assisted with the Hospice Tree Lighting, AED installation and waste receptacle installation projects at the Plaza.
- Completed the first on call concrete construction project at the Plaza and Masonnave House.
- Completed installation of a new speed table at on Napt St near 5th St East.
- Working collaboratively with CA Dept of Transportation and Sonoma County PI, completed installation of safety lighting at the Verano/Hwy 12 intersection.
- Reduced fire fuels on City properties and along rights-of-way through mowing and other mechanical methods of vegetation management.
- Completed installation of 4 flashing beacon pedestrian crossings on Broadway.
- Completed over 10 speed surveys to support traffic studies at locations within the City limits.
- Coordinated repair and replacement of damaged or burnt-out streetlights.
- Maintained curb markings and signs for loading zones, no stopping zones, and restricted parking areas.
- Assisted with procurement and installation of the Ada Limon bench near Reader's Books on East Napa Street.
- Installed rainbow crosswalk striping at the Plaza for pride month.

FISCAL YEAR 2024–25 GOALS:

- Improve the street sweeping program by rescheduling sweeping activities in some neighborhoods to remove scheduling conflicts with the solid waste collection schedule.
- Accelerate enforcement and abatement when illegal dumping occurs on City streets and sidewalks.
- Improve pedestrian safety through optimized administration of the City’s Sidewalk Trip Hazard Repair Policy.
- Update the City’s Pavement Management Plan, a grant-funded biennial activity, and prepare five-year paving plan.
- Secure environmental permits for vegetation management in drainageways to reduce flood hazards.
- Continue to improve nighttime vehicle and pedestrian safety on City streets through improved sign and pavement marking visibility.
- Continue to provide afterhours service during inclement weather/other emergency events.
- Continue implementing larger scale traffic calming projects (traffic tables, RRFB’s, safety lighting)

CHALLENGES:

Environmental permit requirements for maintaining vegetation in open drainage channels, frequent strong wind events leading to downed trees and limbs, vehicle-object collisions involving City-maintained streetscape features (e.g. streetlights), and downtime associated with equipment maintenance, and Non-chemical vegetation management during the spring mowing season all present ongoing challenges to the Streets Maintenance Program.

General Fund

Public Works Division

Streets Maintenance

General Ledger Department 43022

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 347,450.00	\$ 426,883.00	\$ 470,369.57	\$ 470,369.00	\$ 449,527.00	\$ 476,703.00	\$ 6,334.00	1%
Employee Benefits	\$ 107,748.00	\$ 127,693.00	\$ 132,484.65	\$ 132,484.00	\$ 116,310.00	\$ 163,487.00	\$ 31,003.00	23%
PERS UAL	\$ 35,815.00	\$ 23,461.00	\$ 23,461.71	\$ 23,461.00	\$ 22,361.00	\$ 85,604.00	\$ 62,143.00	265%
Professional Services	\$ 43,606.00	\$ 28,571.00	\$ 31,000.00	\$ 31,000.00	\$ 24,238.00	\$ 31,000.00	\$ -	0%
Cost Recovery	\$ 1,503.00	\$ 1,482.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ 103,175.00	\$ 136,839.00	\$ 116,504.72	\$ 116,504.00	\$ 144,273.00	\$ 107,912.00	\$ (8,592.00)	-7%
Operations	\$ 91,357.00	\$ 88,277.00	\$ 83,850.00	\$ 95,764.00	\$ 107,783.00	\$ 82,900.00	\$ (12,864.00)	-13%
Supplies	\$ 97,274.00	\$ 111,850.00	\$ 95,000.00	\$ 140,400.00	\$ 145,342.00	\$ 111,500.00	\$ (28,900.00)	-21%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 113,260.00	\$ 122,918.00	\$ 128,993.00	\$ 128,993.00	\$ 123,533.00	\$ 121,065.00	\$ (7,928.00)	-6%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 941,188.00	\$ 1,067,974.00	\$ 1,081,663.65	\$ 1,138,975.00	\$ 1,133,367.00	\$ 1,180,171.00	\$ 41,196.00	4%

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CITY OF SONOMA

Public Works Department Parks Maintenance (100-43023)

Michael Berger, Public Works Director

Parks: Making Life Better! The Parks Maintenance Program maintains the City's parks and many of its paths and trails. This includes the flagship Plaza Park, the historic Depot Park, 11 neighborhood parks, and the trees and vegetation along 4 miles of bike paths and the Sonoma Overlook Trail. Special park amenities maintained by the program include 9 playgrounds, two public restrooms, memorial benches, picnic areas and barbecues, 3 water features, a rose garden, drinking fountains, and an outdoor amphitheater for performing arts. The program also includes support for special events in City parks, including major holiday events, foot races, farmer's markets, public art displays, and film festivals.

The Parks Maintenance Program is funded by the City's General Fund. The program's annual budget includes expenses for personnel, equipment, materials, and services.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Improved the appearance of the Plaza by reconstructing the enclosure for solid waste collection containers at the Plaza and assisting with the installation of new 3-stream waste receptacles throughout the park.
- Coordinated and staffed numerous cleanups and volunteer work days at the Plaza, City cemeteries and Depot Park.
- Supported the monthly exchanges of banners on streetlights surrounding the Plaza.
- Supported installation of wreaths, garlands, and lights on streetlights surrounding the Plaza and on Broadway during the winter holidays.
- Supported Tuesday night and Friday morning farmer's markets with signage, temporary traffic and parking controls, and electricity.
- Completed Plaza work: 8 new bike racks, rainbow crosswalk striping for pride month, Carnegie restroom upgrades and deep cleaning of the duck/fish ponds.
- Supported advanced tree trimming and other key activities for the Chase Street Bridge repl. project.
- Installed 8 new bike racks at the Plaza, upgraded the public restrooms at the Plaza with new flooring and partitions, and assisted with installation of the new hospice tree lighting.
- Completed targeted assessments and pruning of trees in Pinelli Park and Nathanson Creek Park.

FISCAL YEAR 2024-25 GOALS:

- Assist with Council goals related to parks as outlined in the Council's strategic goals.
- Complete the Depot Park volleyball court rehabilitation and restroom upgrades.
- Serve the needs of Sonoma's citizens by maintaining, operating, and improving the City's parks and trails.

- Serve in a coordination role for special events and solid waste/recycling/compost collection services and continue to coordinate with Sonoma Garbage Company to improve 3-stream waste system.
- Continue to cross-train staff to maximize cross-functional resource sharing efficiencies across various programs.
- Install water bottle filling stations in the Plaza Park adjacent to Carnegie Building and at the Field of Dreams.
- Manage contract for Montini Preserve fuel reduction measures, hazard tree assessment, trail maintenance, invasive plant control, and restoration.
- Manage contract for Nathanson Creek Oxbow and Demonstration Garden maintenance.

CHALLENGES:

The Parks Maintenance Program absorbed some routine services previously performed by contractors to reduce operational expenses during the COVID-19 pandemic. The program has continued to deliver these expanded services internally since, which has decreased resources available to advance special projects and implement predictive maintenance schedules for parks assets.

General Fund

Public Works Division

Parks Maintenance

General Ledger Department 43023

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 404,950.00	\$ 492,595.00	\$ 544,971.56	\$ 516,495.00	\$ 529,727.00	\$ 667,707.00	\$ 151,212.00	29%
Employee Benefits	\$ 167,622.00	\$ 170,588.00	\$ 250,393.87	\$ 233,470.00	\$ 167,075.00	\$ 229,768.00	\$ (3,702.00)	-2%
PERS UAL	\$ 71,606.00	\$ 84,310.00	\$ 84,310.43	\$ 84,310.00	\$ 80,356.00	\$ 213,288.00	\$ 128,978.00	153%
Professional Services	\$ 49,655.00	\$ 22,035.00	\$ 21,000.00	\$ 9,977.00	\$ 4,324.00	\$ 21,000.00	\$ 11,023.00	110%
Property Services	\$ 95,552.00	\$ 204,083.00	\$ 258,780.57	\$ 218,066.00	\$ 219,208.00	\$ 252,820.00	\$ 34,754.00	16%
Operations	\$ 24,710.00	\$ 157,260.00	\$ 155,785.00	\$ 155,785.00	\$ 116,673.00	\$ 155,090.00	\$ (695.00)	0%
Supplies	\$ 27,504.00	\$ 44,336.00	\$ 46,000.00	\$ 46,000.00	\$ 63,236.00	\$ 47,500.00	\$ 1,500.00	3%
Software & Equipment	\$ 903.00	\$ -	\$ 4,783.80	\$ 4,783.00	\$ -	\$ -	\$ (4,783.00)	-100%
Internal Service & Capital Prj	\$ 60,053.00	\$ 46,818.00	\$ 62,252.00	\$ 62,252.00	\$ 62,252.00	\$ 64,081.00	\$ 1,829.00	3%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 902,560.02	\$ 1,222,028.37	\$ 1,428,277.23	\$ 1,331,140.23	\$ 1,242,855.85	\$ 1,651,255.95	\$ 320,115.72	24%

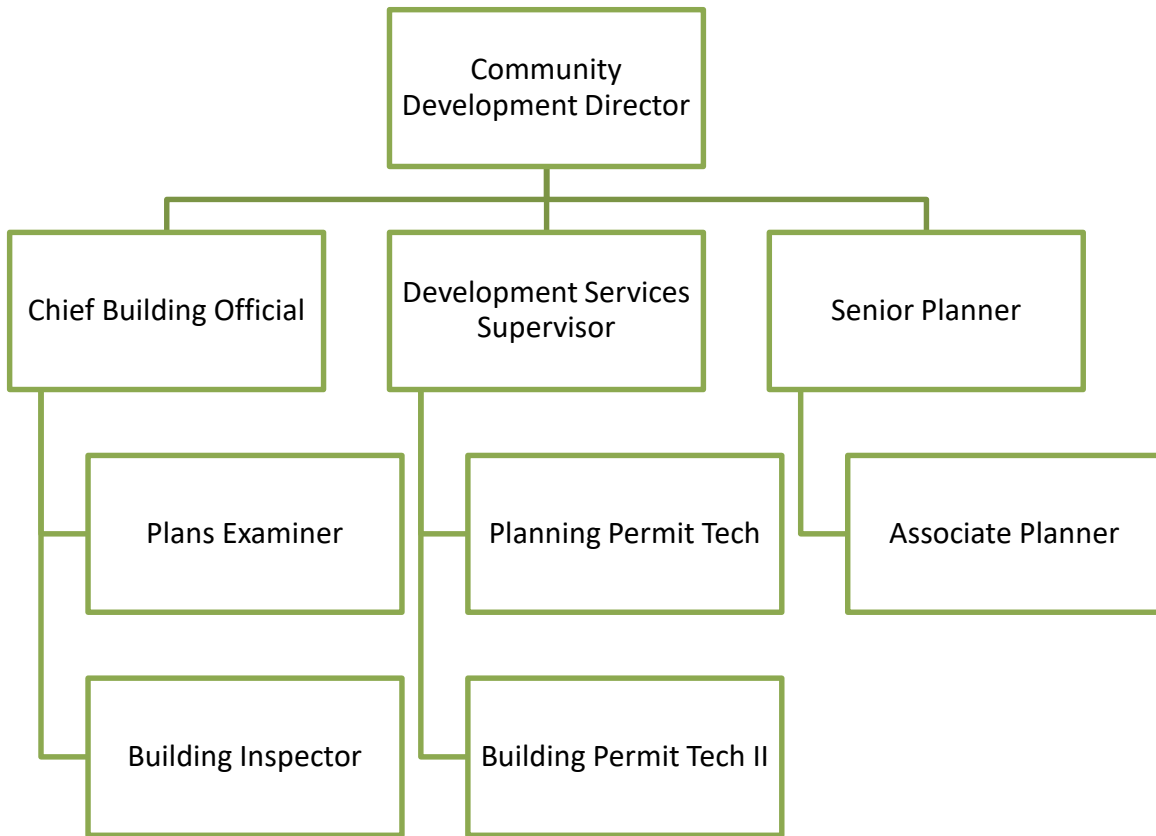
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BUDGET DETAIL COMMUNITY DEVELOPMENT

**Organizational Chart
Planning and Community Services
Building and Development Services**

Community Development Organizational Chart:
Planning Division
Building Division





CITY OF SONOMA

Community Development Department, Planning Division (100-43030)

Jennifer Gates, AICP Community Development Director

During fiscal year (FY) 2023-24 the Building Department and Planning Department merged to form a new Community Development Department, the budgets for those departments, now divisions, will continue to be separate for the time being.

The FY 2024-25 Planning Division budget reflects the ultimate Planning Division staffing with 4.3 Full-Time Equivalent employees including the Senior Planner, Associate Planner, part-time Sustainability Coordinator and a shared Community Development Director, Development Services Supervisor and Permit Technician.

In terms of ongoing activities, the responsibilities of the Department are as follows:

Council/Commission Staffing: In addition to supporting the City Council with respect to planning related matters, the Department provides staff support to the following commissions and committees: the Planning Commission (PC), the Design Review/Historic Preservation Commission (DRHPC), the Climate Action Commission (CAC), the Sonoma Valley Citizens Advisory Commission (as needed), the Parks Recreation and Open Space (PROS) Commission (as needed), and the City's internal Project Advisory Committee (PAC). Staff also supports various Ad Hoc Committees of the City Council and Commissions.

Advanced Planning: The Department is responsible for maintaining and updating the Municipal Code, Development (Zoning) Code and General Plan to be consistent with State law. This involves reviewing potential legislation and new laws that become effective each year to ensure that the City is in compliance with new statutes. Staff monitors housing policy matters related to the Housing Element of the General Plan, annexation requests, and the City's Regional Housing Needs Allocation (RHNA).

Current Planning: The Department is responsible for processing applications for planning permits, such as Design Review, Use Permits, Variances, Tentative Subdivision Maps, and Tentative Parcel Maps through the Planning Commission, the Design Review/Historic Preservation Commission, and, if necessary, the City Council. This activity also includes a range of projects, from single family residential to large-scale commercial development. Staff comments upon referrals from the Sonoma County Planning Department for nearby development that may impact the city. This includes responding to public inquiries regarding various potential development projects and staffing the public counter four days a week.

Building Permit Plan Check: Planning staff review Building Permits, including those not subject to other forms of planning review (e.g., Use Permit review or Design Review) to assure compliance with applicable planning codes and regulations.

Site Inspections: Site inspections are conducted to ensure that conditions of approval for new development projects have been completed.

Enforcement: Code enforcement activities are primarily performed by the City Prosecutor/Code Enforcement unit.

Affordable Housing Management: The City is responsible for managing affordable housing agreements and annually monitors ownership and rental units. Staff annually reviews rent levels, screens prospective tenants and homebuyers, and sets prices for the sale and resale of affordable ownership units. Staff will also work with Council to set policy with regard to the City's affordable housing trust fund. Staff is responsible for responding to requests from the public regarding the Affordable Housing program and available units and works in collaboration with Rise Housing to address ongoing issues related to renter rights and concerns about rent increases.

Climate Action / Sustainability: The Division is responsible for implementing the Climate Action Strategies accepted by City Council in January 2024. The Climate Action Strategies sets forth a path to achieve these targets. Staff participates in monthly meetings with the Regional Climate Protection Authority for county-wide planning on GHG reductions, and staffs quarterly meetings with the Climate Action Commission.

Solid Waste Reduction SB 1383: This Division, along with Public Works Department, is responsible for implementing the mandatory organic separation requirements under SB 1383. The City of Sonoma adopted its SB 1383 implementation ordinance and environmentally preferable procurement policy. Staff participates in monthly meetings with Zero Waste Sonoma for county-wide implementation issues and strategies for SB 1383. The Sustainability coordinator is responsible for implementing the citywide waste policy. City Manager's office negotiated an update to the Franchise Agreement with Sonoma Garbage Company in Spring 2024.

Bike Plan Implementation: The Department is responsible for researching and preparing grant applications, attending meetings with the Sonoma County Transportation Authority Bike Committee, and implementing programs and projects in the Bicycle and Pedestrian Master Plan in coordination with Public Works and PROS. Public Works Staff is currently installing bike parking in the Plaza.

Regional Coordination: Staff participates in regional coordination activities with several organizations, including but not limited to the Association of Bay Area Governments (ABAG), the Regional Climate Protection Authority (RCPA), the Sonoma County Transportation Authority (SCTA) and the Sonoma County Community Development Commission (CDC).

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

Public meetings:

The Planning Department supported the following hearings, including noticing in the paper, mailings, and minutes:

- Planning Commission (PC) (10)
- Design Review and Historic Preservation meetings (DRHPC) (7)
- Climate Action Commission meetings (5)
- Joint PC, CAC, and PROS Commission Meeting (2)
- Joint CC/PC (2)
- Staff also attended most City Council meetings throughout the year

Zoning Code Updates:

- Residential Component amendment to eliminate subjective language and support development of housing in the Commercial zoning district.

- Accessory Dwelling Unit (ADU) amendment to align with State law and allow second story ADUs without a Use Permit.
- Parking Code update to reduce required onsite parking for all uses, including major changes to the calculation for multifamily residential and requirements for bike parking.
- Objective standards for Fire Apparatus Access Roads, private roads, and driveways.
- Design Review streamlining.
- Updated analysis to the 2018 housing and commercial fee study commissioned by the City of Sonoma.
- Adoption of Housing In-Lieu Fees pursuant to the Inclusionary Housing Ordinance for fractional inclusionary units and small residential projects, and pursuant to the City's residential component Ordinance.

Other Highlights:

- Initiated full review of all City of Sonoma rental and ownership affordable housing units.
- Coordinated with Sonoma County on housing opportunities.
- Monitored existing SPARC cannabis dispensary.
- Sent staff to APA conference and new Planning Commissioners to Land Use training.
- Recommended General Plan consultant to Council to initiate General Plan update in 2023 (plan ended in 2020).
- Complete the downtown parking study and commence implementation measures as directed by the City Council.
- Started reorganization of Planning and Building into a Community Development Department.
- Initiate the General Plan update process for the next 20 year cycle.
- Brought Climate Action Strategies to City Council for approval in January 2024 and initiated workplan.
- Held Joint Planning, Climate Action, and Parks Recreation and Open Space Commission meeting to discuss approach to tree policies.

FISCAL YEAR 2024-2025 GOALS

- Continue to make changes to streamline the development process and make it easier to understand and implement.
- Monitor County development proposals near the City.
- Continue efforts to support professional development of department staff.
- Develop a policy and program processes for allocation of the City's Housing Trust fund.
- Continue to ensure that the City's BMR inventory is monitored and maintained or preserved as affordable.
- Continue to process all planning applications and review building permits.
- Continue development code updates.
- Research and develop affordable housing program implementation.
- Submit for CALFire grant for Tree Inventory and Urban Forestry Management Plan.
- Continue to build the Community Development Department through team building workshops and the development of a department mission and core values.

General Fund

Planning and Community Services Division

General Ledger Department 43030

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 451,381.00	\$ 493,874.00	\$ 603,628.71	\$ 521,628.00	\$ 400,622.00	\$ 508,872.00	\$ (12,756.00)	-2%
Employee Benefits	\$ 134,611.00	\$ 116,404.00	\$ 166,154.86	\$ 166,154.00	\$ 103,145.00	\$ 140,774.00	\$ (25,380.00)	-15%
PERS UAL	\$ 66,790.00	\$ 83,941.00	\$ 83,941.17	\$ 83,941.00	\$ 80,004.00	\$ 353.00	\$ (83,588.00)	-100%
Professional Services	\$ 89,319.00	\$ 205,058.00	\$ 162,000.00	\$ 773,000.00	\$ 325,908.00	\$ 344,500.00	\$ (428,500.00)	-55%
Cost Recovery	\$ 81,147.00	\$ 191,330.00	\$ 85,000.00	\$ 85,000.00	\$ 276,553.00	\$ 150,000.00	\$ 65,000.00	76%
Property Services	\$ 52,942.00	\$ 181,755.00	\$ 69,573.39	\$ 69,573.00	\$ 62,211.00	\$ 42,674.00	\$ (26,899.00)	-39%
Operations	\$ 49,525.00	\$ 47,474.00	\$ 56,531.30	\$ 56,531.00	\$ 37,456.00	\$ 61,531.00	\$ 5,000.00	9%
Supplies	\$ 5,888.00	\$ 3,283.00	\$ 4,500.00	\$ 3,980.00	\$ 7,107.00	\$ 3,000.00	\$ (980.00)	-25%
Software & Equipment	\$ 179.00	\$ 239.00	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	0%
Internal Service & Capital Prj	\$ 12,393.00	\$ 32,412.00	\$ 37,018.00	\$ 37,018.00	\$ 37,018.00	\$ 33,947.00	\$ (3,071.00)	-8%
Expense Total	\$ 944,175.00	\$ 1,355,770.00	\$ 1,270,847.43	\$ 1,799,325.00	\$ 1,330,024.00	\$ 1,288,151.00	\$ (511,174.00)	-28%

*unaudited



CITY OF SONOMA

Community Development Department, Building Division (100-43040)

Jennifer Gates, AICP Community Development Director

During fiscal year (FY) 2023-24 the Building Department and Planning Department merged to form a new Community Development Department, the budgets for those departments, now divisions, will continue to be separate for the time being.

Through the issuance of building permits, the Building Division of the Community Development Department, promotes the health, safety, welfare and sustainability of the built environment and the public by ensuring that structures and their components are accessible, energy efficient, “green” and safe for use and occupancy. The Building Division strives to provide professional and proficient plan review and inspection services to the public in a courteous and timely fashion. Most regulations enforced by the Building Division are mandated by state law or are otherwise adopted by local ordinances. New regulations continue to increase the demands placed on Building Division staff which can impact Building Division service levels.

The FY 2024-25 Building Division budget reflects the current Building Division staffing with 4.7 Full-Time Equivalent employees including the Building Official, Plans Examiner, Building Inspector, and a shared Community Development Director, Development Services Supervisor and Permit Technician.

Formerly, the Development Services Director/Building Official coordinated and oversaw the City’s Management Information Services (MIS). These duties are now split between the City’s Information Technology (IT) consultant and the City’s Development Services Supervisor.

In addition, the Development Services Director/Building Official was assigned by the City Manager to coordinate Emergency Management preparedness for the City. The City Manager’s office now oversees these duties.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Managed the development of the new OpenGov cloud-based electronic permitting system. Permits for Planning, Special Events, Public Works, and Building are all live.
- Went live with Building Permits in the new OpenGov cloud-based electronic permitting system.
- Implemented a cloud-based electronic plan review system including new policy and procedures.
- Updated building permit fees and fee calculations worksheets.
- Implemented SolarApp+ for streamlined solar review.
- As of October 2023, Microsoft Server 2012 no longer received security updates, bug fixes, and technical support. Updated and migrated software running on servers.
- To modernize our network by building redundancy and protecting from network failures, replaced the end-of-life Firewall with two Firewalls. This redundancy will ensure the network is protected when one device fails, providing continuous security coverage and minimal downtime. This is one of many scheduled hardware backup processes to ensure the city can continue to serve customers.

FISCAL YEAR 2024-25 GOALS:

- Hire a Building Official to serve under the Community Development Director to hire a new Plans Examiner and Building Inspector.
- Evaluate and establish new base service level standards.
- Improve plan review turnaround times to bring customer service levels to acceptable levels in accordance with newly developed base service level standards.
- Continue to train Building Department staff and the and Permit Technician on the vast array of regulations, policies, and procedures applicable to Building Department activities.
- Finalize the review and update all building department handouts (60) for conformance with new 2022 California Building Standards Code.
- Continue to resolve issues with the OpenGov system as they arise to help streamline and improve customer service.
- Add OpenGov consulting support to develop new applications, maintain and improve the City's new cloud-based electronic permitting system.
- Migrate servers to Virtual Servers. Long term savings benefit by not replacing hardware every 5 years and reducing annual software renewals and upgrades. Virtual Servers will have enhanced disaster recovery and business continuity.
- Replacing end of life switches and installation of additional switch to build network redundancy ensuring network is protected when one device fails and providing network fault tolerance.
- Continue to build the Community Development Department through team building workshops and the development of a department mission and core values.

General Fund

Building and Development Services Division

General Ledger Department 43040

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 395,589.00	\$ 338,564.00	\$ 486,880.91	\$ 396,880.00	\$ 368,861.00	\$ 584,291.00	\$ 187,411.00	47%
Employee Benefits	\$ 127,398.00	\$ 96,888.00	\$ 166,957.94	\$ 158,407.00	\$ 80,584.00	\$ 175,621.00	\$ 17,214.00	11%
PERS UAL	\$ 63,437.00	\$ 99,611.00	\$ 99,611.92	\$ 99,611.00	\$ 94,940.00	\$ 567.00	\$ (99,044.00)	-99%
Professional Services	\$ 3,290.00	\$ 99,591.00	\$ 132,250.00	\$ 132,250.00	\$ 145,016.00	\$ 87,500.00	\$ (44,750.00)	-34%
Property Services	\$ 44,162.00	\$ 60,965.00	\$ 69,016.38	\$ 62,516.00	\$ 54,963.00	\$ 40,814.00	\$ (21,702.00)	-35%
Operations	\$ 2,417.00	\$ 13,266.00	\$ 36,700.00	\$ 36,700.00	\$ 21,216.00	\$ 19,250.00	\$ (17,450.00)	-48%
Supplies	\$ 3,088.00	\$ 5,751.00	\$ 3,350.00	\$ 3,350.00	\$ 3,186.00	\$ 3,650.00	\$ 300.00	9%
Software & Equipment	\$ -	\$ 209.00	\$ 1,700.00	\$ 1,700.00	\$ -	\$ 1,700.00	\$ -	0%
Internal Service & Capital Prj	\$ 8,103.00	\$ 23,373.00	\$ 23,373.00	\$ 23,373.00	\$ 23,373.00	\$ 28,373.00	\$ 5,000.00	21%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 647,484.00	\$ 738,218.00	\$ 1,019,840.15	\$ 914,787.00	\$ 792,139.00	\$ 941,766.00	\$ 26,979.00	3%

*unaudited

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BUDGET DETAIL

MISCELLANEOUS

Community Activities
Successor Agency Administration
Non-Departmental/Facility Maintenance
Transfers – General Fund to Other Funds

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CITY OF SONOMA

Community Activities **(100-43101)**

David Guhin, City Manager

Lisa Janson and Sarah Tracy, Senior Management Analysts

Community Activities represents services that benefit the entire community of Sonoma. For Fiscal Year 2024-25, the following programs are included in the recommended budget.

FACILITY SUPPORT TO NON-PROFITS

Sebastiani Theatre: Rental and associated costs (share of property tax and insurance) for the Sebastiani Theatre.

Lease Subsidies: For decades, the City has supported various non-profits by entering into lease agreements for City owned property at virtually no cost or dramatically reduced costs:

- Field of Dreams Organization
- Sonoma Ecology Center – Sonoma Garden Park
- Sonoma Bocce- Bocce Courts at Depot Park
- Sonoma Historical Society- Marcy House and Depot Park Museum
- Sonoma Home Winemakers- Tex Juen Park
- Sonoma League for Historic Preservation- Maysonnave House
- Valley of the Moon Petanque Club- Petanque Courts at Depot Park
- Valley of the Moon Preschool
- Vintage House Senior Center
- Visitor Bureau- Carnegie Building ** FY 24/25 will include a new arrangement and an update to the lease agreement.

***City Owned Facilities Maintenance Projects:** The City of Sonoma provides routine maintenance on City-owned buildings and facilities, with expenses covered by Capital Improvement Program (CIP) budgets. This maintenance also supports local non-profits that use these facilities. Below is a list of projects completed for FY 23/24.

- Sonoma League for Historic Preservation: Completed sidewalk work and resurfaced the driveway.
- Sonoma Historical Society: Installed a new HVAC system.
- Valley of the Moon Pétanque Club and Sonoma Bocce- Performed necessary tree work.
- The Haven has been completely remodeled and is ready to be activated as the City's emergency warming and or cooling center.

Water Utility Subsidies: The City of Sonoma supplies water at no cost or at significantly reduced costs to several community partners. In previous fiscal years, these water expenses were included in the non-departmental budget. However, starting in FY 22/23, these expenses have been accounted for in the Community Activities budget. The community partners receiving this benefit include:

- Arnold Field Irrigation (Sonoma County Regional Parks)
- Field of Dreams

- Hugh’s Field (Sonoma County Regional Parks)
- Sebastiani Theatre
- Teeter Field (Sonoma County Regional Parks)
- Sonoma Home Winemakers- Tex Juen Park

SUPPORT FOR YOUTH

Sonoma Valley High School (SVHS) Support:

The City of Sonoma waives special event fees associated with the SVHS homecoming event and parade and senior picnic at Field of Dreams and installs green up-lights for several days during both homecoming and graduation weeks. Additionally, the city hangs a large banner on City Hall celebrating SVHS graduates during graduation week. The city also contributes to the cost of crossing guard services and the Grad Night event at SVHS.

Sonoma Valley Health and Recreation:

The City funds pool scholarships to ensure that all youth have access to swimming lessons. These scholarship funds are held in a separate account dedicated to this purpose.

Field of Dreams:

The City supports the Field of Dreams organization through a subsidized lease and funding for deferred maintenance and subsidizes field rental fees for various youth sports organizations, including softball, lacrosse, and soccer.

Teeter and Hughs Fields:

Youth baseball leagues in Sonoma Valley benefit from annual water subsidies provided by the City.

Boys and Girls Club of Sonoma Valley- The City helps subsidize the sports and athletic programming at the center. With over four leagues focusing on junior basketball, futsal, volleyball and T-ball, all programs focus on nurturing well-rounded individuals both on and off the field.

Sonoma County Transit Fare Free Route: The City of Sonoma subsidizes the fare free route that runs through Sonoma Valley. This service is heavily used by the youth of Sonoma Valley as their transportation to and from school.

Sonoma Community Center: The city funding helps support arts educational programs to students at Creekside, SweetWater Spectrum, Colores de Artes, Mentoring Alliance as well as all other Sonoma Valley youth. Classes focus on ceramics, music, culinary arts, printmaking, fiber arts and fine arts.

Sonoma Ecology Center, Sonoma Garden Park: The City supports the Garden Park through a subsidized lease and funding to help with interactive educational opportunities for all ages focused on the interactions between humans and the environment.

SUPPORT FOR ECONOMIC DEVELOPMENT

Chamber of Commerce Contract- The City supports through financial contributions and in partnership with specific projects such as the Tuesday Night Market.

Sonoma Valley Visitor’s Bureau Contract- The City supports through financial contribution and rental subsidies for the use of Carnegie Building. This arrangement is changing in FY 24/25 with the Visitors Bureau releasing some office space to make room for additional City staffing.

Sonoma Valley Vintners and Growers Alliance- The City supports through special event fee waivers for Vintage Festival and the Lighted Tractor Parade.

SUPPORT FOR THE ARTS & SPECIAL EVENTS

Cultural and Fine Arts Commission (CFAC): Each year the commission selects the Treasure Artist and the student Creative Artist Award. In addition, the CFAC will also be updating the public art policy to include the Council Chamber installations and future outdoor temporary art installations.

Special Events: the Senior Management Analysts coordinate, plan and oversee and support special events on the Plaza including Sonoma’s Tuesday Night Market, City Party, Press Events/Special Delegations, the Gay Pride Event, City Council Chamber Art Shows and Special Community acknowledgments. In addition, the city supports other non-profit organized special events as outlined below.

- Police Services for the 4th of July event –Police overtime services due to the 4th of July event and fireworks amount to approximately \$51,000 of the Police contract.
- Fee Waivers for Community and Heritage Events as outlined in the Special Events Policy
- Holiday programming- Free to attend holiday programing (after Thanksgiving through New Years Day) to encourage individuals to visit the downtown retail shops and restaurants.
- Sonoma Artwalk – Coordinated in partnership with the Sonoma Community Center, the Sonoma Valley Chamber of Commerce and local art organizations, this community event occurs on the first Thursday of the Month during September through April when the Tuesday Night Market is not active. The city provides funding to Sonoma Community Center to support their programming efforts.

FINANCIAL SUPPORT TO NON-PROFITS

Community FREE Days at the Veteran’s Building – Each year the City of Sonoma contracts with Sonoma County General Services to secure Free Rental Days at the Sonoma Veterans Building for local Non-Profits who give back to the community. The following organizations received free rental days in FY 23/24: SVHS Boosters Club, 4th of July Parade, Sonoma International Film Festival, Sonoma Community Center for Trashion Fashion and Preparation for the Free Thanksgiving Dinner, Native Sons, Sonoma Valley High School Alumni Association, and the Lions Club.

Recreation and Community Services Program – The purpose of the Recreation and Community Services Program is to centralize and bring together the many investments that the city provides. This program has the following five components:

1. Multi-year contracts with key non-profit organizations which provide core recreation and community service programs where there has been a long City partnership;
2. Fee waivers and financial support for events that celebrate our community’s heritage and history;
3. Fee waivers for community events that celebrate season events and bring our community together;
4. Enhancement of a “Recreation and Community Services” webpage on the City’s website to provide information and links regarding this program, our partners, and the City’s investments; and

5. Discretionary funding to support unique projects that are impactful to the community/City that may arise during the year without tapping into the City's reserves.
 - A. New to FY 24/25 the City of Sonoma outlined a process for non-profits and tax-exempt organizations to have a means of requesting funding from the City of Sonoma.
 - i. Eligible Programs, must be held in City of Sonoma/or Sonoma Valley (zip code 95476) and provide community benefit to a high percentage of Sonoma Valley residents in at least one of the following categories:
 - Free community event, project or services held in City of Sonoma
 - Services or financial assistance that directly benefit specifically identified and verified SV residents; or
 - Educational services or supplies to benefit K-12 schools serving SV students.
 - ii. The number of discretionary funded projects is dependent on the available funding, the discretionary funding is outlined as part of the Recreation and Community Fund Policy. The City Council can award up to a maximum of \$3,000 per fiscal year based on the City's approved budget. The City Council has the ultimate discretion and final approval for all program funding, including not allocating all of the discretionary funding.
 - iii. This year the City received a total of 30 requests for funding equaling a dollar value of \$84,000.
 - iv. City staff will bring forth a staff report at a future date allowing City Council to review the submissions and staff will make recommendation.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Successfully managed the City's Earth Day Photo Contest, now in its 4th year, enhancing its outreach and impact. Notably, showcased all submitted photos in the City Council Chamber.
- Managed the Parks & Recreation online directory, ensuring accessible information for residents and visitors alike and distributed a graphic for recreation partners to use to promote the resource.
- Continued to provide funding to Vintage House for senior programming and services.
- Continued the Rotating Council Chamber Art Exhibitions, featuring diverse showcases such as a group exhibit of local LGBTQI+ artists, Valley of the Moon Vintage Festival Posters, and residents of Sweetwater Spectrum, alongside Earth Day Photo Contest submissions.
- Coordinated the inaugural LGBTQ+ Pride Event on the Sonoma Plaza.
- Orchestrated the installation of a commemorative bench, accompanied by an unveiling ceremony and community celebration, in tribute to U.S. Poet Laureate Ada Limon
- Coordinate multi-year leases with Bocce Sonoma, Sonoma Valley Pétanque, and Ernest Holman Memorial Dog Park.
- Hosted a "standing room only" Treasure Artist Reception, eliminating entry fees to promote inclusivity.
- Forged a partnership with the Sonoma Valley Vintners & Growers Alliance to sustain the Valley Of the Moon Vintage Fest Poster Contest.
- Provided financial support to Field of Dreams organization who served an estimated 6,000 users from the following organizations: Sonoma United (Soccer), Sonoma Girls Fastpitch Softball, Sonoma Stack, Sonoma High School JV Baseball, Sonoma Revolution, Latino Men's Baseball, Solano Baseball, including non-athletic events for St. Francis School, and Sonoma Valley High School.
- Provided financial support to Sonoma Community Center who provided over 275 arts education classes in ceramics, music, youth programs, culinary arts, printmaking, fiber arts and the fine arts to over 2,600 participants. In addition, the center provided community and cultural events such as Dia

de los Muertos, Juneteenth, Lunar New Year, Winter Art Market, concerts, lectures, comedy shows and gallery shows featuring local and national artists to over 3,000 participants.

- Worked with Sonoma Community Center who manages the City of Sonoma Emergency Volunteer List to come up with strategies to increase our bilingual volunteers. The Community center was able to increase the emergency volunteer list from 54 individuals to 145 individuals and ensure that 30% of the individuals are Spanish speaking. The Sonoma Community Center coordinated emergency trainings in Spanish to ensure that our emergency volunteers are prepared to assist in an emergency.
- Coordinated and executed Sonoma's Tuesday Night Farmers market which had 40+ vendors weekly for 20 market nights. The 2023 market season focused on greening policies and ensuring that we had a 100% EBT matching program to help those community members who are in need of access to fresh produce.
- Created and launched a process for non-profits and tax-exempt organizations to have a means of requesting funding from the City of Sonoma Recreation and Community Services Program Discretionary funding.
- Coordinated a successful City Party which raised enough funds to cover all of the expenses associated with planning the event.
- Worked with the Plaza lighting vendor on project "Light the Palm Tree" outlined the requirements, identified costs, and worked with the vendor for a permanent installation to last throughout the year Mid-November through end of September.
- Working closely with both the Chamber of Commerce and Visitor Bureau continued to build out holiday plans to successfully leverage the holiday tree lights. The program included a Hanukkah celebration, caroling, musical performances and more.
- Installation of the Rainbow Cross walks in honor of LGBTQ+ pride month.

FISCAL YEAR 2024-25 GOALS:

- Finalize and implement updates to the Public Art Policy, integrating a Temporary Art Policy to facilitate outdoor installations at designated sites.
- Spearhead a utility box art wrap project to infuse public spaces with artistic expression and cultural vibrancy.
- Management of the City Council Chamber Art Program: Involves collaborative efforts with the Cultural and Fine Arts Commission to curate quarterly art installations within the City Council Chambers. Responsibilities include coordinating the collection of artwork, curation and installation within the City Council meeting room, orchestrating receptions, and ensuring the return of artwork to the respective artists post-de-installation.
- Continue to refine and enhance the Student Creative Artist Award program and increase the number of awards given.
- Update all Recreation and Community Partner Agreements with 3-year agreements. This includes moving the Field of Dreams Organization from a one-year agreement to a three-year agreement for the management of the City owned facility.
- Increase funding to the Sonoma Community Center from \$40,000 annually to \$60,500, to help them expand cultural and community events to reflect the dynamic Sonoma Valley population and continue to grow their art education offerings to meet the arts and recreation needs of the community, including expanding the number of Spanish language class offerings.
- Increase funding to the Field of Dreams organization to allow them to continue to make enhancements to the fields to attract a broader range of user groups. FY 24/25 projects includes removing the grass from the infield at Peterson field establishing more flexible diamond sizes, improve drainage issues, capital projects including adding refillable water bottle drinking stations, multi-stream trash and recycling containers and providing AEDs.

- Fund additional non-profits through the City Council Recreation and Community Services discretionary fund.
- Farmers market Free Bike Valet local provider Operation Bicycle will employ individuals to operate it onsite. Launched an awards program “Bike Buck” to encourage attendees to get out of their cars and bike to the market, each \$1 token can be redeemed at any of the farm stands for fresh fruits and vegetables.
- Work with Sonoma Garbage Collectors to continue to refine special event best practices to address compliance with SB1383, this includes an educational element.
- Build on the annual holiday programming by working with local non-profits to program performances in the amphitheater. This program includes Plaza Use fee waivers not to exceed \$10,000.
- Expand opportunities for non-profits to participate in Sonoma’s Tuesday Night Market opportunities could include events within the market and special programming.
- Continue to provide access to healthy farm fresh fruits and vegetables to those individuals who participate in the EBT program and continue to leverage the fresh fruits and vegetables at the Farmers market through gleaning efforts, and donations to those who are food insecure.
- Continue to provide funding to Vintage House Senior Center to expand scholarships for seniors in need, increase vital services (free food, free transportation, and resource referrals) and broaden mental health support programs directed to the 55+ community of Sonoma.
- Continue to provide funding to Sonoma Community Center and Boys and Girls Club of Sonoma Valley to assist with lower registration fees and expanding their scholarship fund to lower financial access barrier to their programs.
- Policy Updates that are needed: Light post banner policy and fees, film permit ordinance and fees, drone usage within City limits, and special events parking. Once the new policy updates are made utilizing the OpenGov software system create an online Plaza Light Post Banner Application, Film Permit Application and a Universal City Parks Application.
- Continue to partner with Sonoma County Transit in providing free transportation via route 30.
- Continue to Sponsor Heritage Events as identified in the Recreation and Community Services Program

Heritage Events Sponsorship Recommendations for FY 2024-25:

Event / Organizer	FY24/25 Plaza Use Fee Waiver <i>Note 1</i>	FY24/25 Financial Sponsorship
4 th of July Celebration and Fireworks -By Sonoma Valley Fire District	\$4,669	\$10,000 \$51,000 for Police Services \$20,650* estimate of public works costs associated with street closures, use of equipment and staff time
Valley of the Moon Vintage Festival and the Lighted Tractor Parade -By Sonoma Valley Vintners and Growers Alliance	\$7,332	*\$6,700 estimated public works costs associated with street closure for both the 5k run and the Lighted Tractor Parade
Bear Flag Celebration -By Native Sons	\$2,648	\$0
Mexican Independence Day -By VIDA	\$4,154	\$0
Totals	\$18,803	\$88,350

Note 1 – The fees for FY 24/25 are estimated based on the new fee schedule and last year’s event applications.

Note 2 – The Police Services Cost is an estimate of the overtime assigned to the 4th of July activities for 43 additional personnel within City limits.

- Continue to Sponsor Community Events as identified in the Recreation and Community Services Program -- Sponsorship Recommendations for FY 24/25.

Community Events Sponsorship Recommendations for FY 24/25

Event / Organizer	FY 24/25 Fee Waiver	FY 24/25 Financial Sponsorship
Sonoma’s Tuesday Night Market generates revenue that is deposited to the general fund. These revenues are budgeted to be \$136,600. With total expenses for FY 24/25 being \$154,946 which includes staff costs of \$30,580. The slight difference will help offset some of the costs associated with City staff who work on the 19-20 annual markets a year.		\$18,346
Sonoma City Party -By City of Sonoma		\$10,000
Cinco de Mayo -La Luz	\$4,384	\$0
Plaza Lighting Celebration -Sonoma Valley Visitors Bureau	\$3,338	\$0
Spring Egg Hunt -By Sonoma Soroptimist	\$2,610	\$0
Hot Chocolate with Santa -By Sonoma Soroptimist	\$2,248	\$0
SVHS Homecoming Rally and Parade -By Sonoma Valley High School	\$1,023	\$0
LGBTQ+ Pride Event		\$1,100
Continue to build on the Holiday Programing thru offering of fee waiver to offset Special Event permits.	\$10,000	\$15,000
Other Press and Community Events		
Totals	\$23,603	\$44,446

- Continue the Recreation and Community Fund Program with the following contracts and sponsorship for a total of \$301,146.89:
 - 90% = \$271,032.20 Core Partnerships
 - \$60,500 Boys & Girls Club
 - \$60,500 Community Center
 - \$44,000 Vintage House
 - \$27,500 Sonoma Ecology Center
 - \$27,500 SV Field of Dreams
 - \$17,500 Sonoma County Transit
 - \$10,000 Sonoma Valley Volunteer Fire for the 4th of July Fireworks
 - \$23,532.20 Preliminary Unallocated Core Recreation & Community Services, (90%)
 - 10% = \$30,114.69 Discretionary

NEW to the Community Activities Budget FY24/25

\$25,000- Additional financial support for public arts based on funding mechanism as a percent of City infrastructure/facility improvements the annual amount maxes out at \$25,000 annually.

General Fund

Community Activities Division

General Ledger Department 43101

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Employee Benefits	\$ -	\$ 2,608.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
PERS UAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ 396,414.00	\$ 564,600.00	\$ 604,160.70	\$ 604,160.00	\$ 558,006.00	\$ 638,070.00	\$ 33,910.00	6%
Operations	\$ 254,560.00	\$ 240,247.00	\$ 326,765.00	\$ 326,765.00	\$ 241,164.00	\$ 341,358.00	\$ 14,593.00	4%
Expense Total	\$ 650,974.00	\$ 807,455.00	\$ 930,925.70	\$ 930,925.00	\$ 799,170.00	\$ 979,428.00	\$ 48,503.00	5%

*unaudited



CITY OF SONOMA

Successor Agency Administration (100-43199)

David Guhin, Executive Director, Successor Agency

One of the most profound impacts to the City's budget in many years was the dissolution of California redevelopment agencies by the State of California. The Redevelopment Dissolution Act, ABx1 26, signed by the Governor Jerry Brown in June 2011, was upheld by the California Supreme Court on December 29, 2011. The Court set the date of February 1, 2012, for dissolution of all California redevelopment agencies. The purpose for the State's elimination of redevelopment agencies was to realign property tax contribution from redevelopment agencies to schools and other property tax agencies within each county.

The City of Sonoma has elected to serve as the Successor Agency to the Sonoma Redevelopment Agency. The Dissolution Act requires that each successor agency have an Oversight Board composed of seven members appointed by specific governmental agencies. In addition, the City of Sonoma elected to not serve as the Housing Successor Agency and therefore transferred its housing assets and remaining housing funding to the Sonoma County Community Development Agency.

The elimination of all redevelopment revenue funding for projects and associated administrative costs resulted in unprecedented challenges for the City. Historically, the City has funded portions of staff time and key city investments with redevelopment funds. With the dissolution, each prior redevelopment agency (in Sonoma named the "Community Development Agency") was replaced with a Successor Agency to close out all Redevelopment activity, and to absorb administrative costs now unfunded in a post redevelopment era. Employees who were previously responsible for and funded by redevelopment were shifted to the newly created Successor Agency and other related expenses were absorbed by the General Fund.

With the elimination of redevelopment, the City moved the cost of Economic Vitality Program with the Sonoma Valley Chamber of Commerce and Emergency Shelter Utilities to the General Fund. In addition, the City moved the expenses for the master lease and associated costs of the Sebastiani Theatre to the Community Activities Budget. These were costs that were covered by the City's prior redevelopment agency.

The Dissolution Act provides the Successor Agency with an Administrative Cost Allowance to reimburse its costs to wind down the affairs of the dissolved redevelopment agency. Reimbursement will be made from property tax revenues, not to exceed 5% of the property tax allocated. For FY 2024-25 Sonoma's Successor Agency will receive \$250,000 in Administrative Costs Allowance.

The Successor Agency budget includes the following expenditures:

- Portion of staff costs including Interim City Manager, Finance Director, and Accountant.
- Legal advice and any costs associated with potential litigation with the Department of Finance.

General Fund

Successor Agency Administration

General Ledger Department 43199

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 36,886.00	\$ 57,593.00	\$ 68,449.18	\$ 68,449.00	\$ 47,083.00	\$ 64,302.00	\$ (4,147.00)	-6%
Employee Benefits	\$ 5,982.00	\$ 10,093.00	\$ 18,681.24	\$ 18,681.00	\$ 6,488.00	\$ 7,042.00	\$ (11,639.00)	-62%
PERS UAL	\$ -	\$ -	\$ 11,732.38	\$ 11,732.00	\$ 11,182.00	\$ 111.00	\$ (11,621.00)	-99%
Professional Services	\$ 49.00	\$ -	\$ 97,000.00	\$ 97,000.00	\$ 4,060.00	\$ 97,000.00	\$ -	0%
Property Services	\$ 5,589.00	\$ 9,343.00	\$ 9,388.62	\$ 9,388.00	\$ 8,354.00	\$ 6,111.00	\$ (3,277.00)	-35%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ 900.00	\$ 900.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Expense Total	\$ 49,406.00	\$ 77,929.00	\$ 205,251.42	\$ 205,250.00	\$ 77,167.00	\$ 174,566.00	\$ (30,684.00)	-15%

*unaudited



CITY OF SONOMA

Non-Departmental / Facility Maintenance (100-43200)

*Michael Berger, Public Works Director
Chris Pegg, Public Works Operations Manager*

Non-Departmental expenses represent functions that span the entire City organization with the majority of the costs related to facility maintenance. In these cases, instead of allocating expenses to a specific general fund department, the expenses are charged through this Non-Departmental budget. Non-Departmental expenses include: positions that help numerous departments (public information and records assistance), utilities on City buildings that benefit multiple departments (gas, electric, water, and sewer), custodial services, leases, communications, contract services (including videotaping of Council and Commission meetings), and repairs and maintenance required to maintain the City's properties and deliver service to the public. In addition, general supplies that are for the benefit of the entire City rather than a specific department are also included.

The Facilities Maintenance Program provides various levels of repair and maintenance services for 60,000 square feet of building space in 11 buildings, according to the terms of any agreements between the City and the building's tenants (for leased facilities). Repair and maintenance of buildings serving a single department is included in the respective budget for that department and is excluded from this budget.

CHALLENGES:

Standard requirements for repair and maintenance contracts led by the City (especially minimum insurance coverage type and limit requirements to engage in repair work on government buildings) can pose a challenge to small businesses in the Sonoma area otherwise capable of delivering required technical services. The breadth, complexity, license or certification requirements, and relatively infrequent need for many of these services also precludes the City from keeping staff trained to perform all required services.

FISCAL YEAR 2023–24 ACCOMPLISHMENTS:

- Managed contractual service providers providing technical services, including: elevator and wheelchair lift inspection and repairs, custodial services, HVAC maintenance and repairs, plumbing maintenance and repairs, information technology and telecommunications services, pest control services, electrical repairs and maintenance (including maintenance of solar PV arrays, backup generators, and building automation systems), backflow prevention assembly testing, fire sprinkler services, security and alarm monitoring, and locksmith services.
- Successfully launched Electronic Permitting & Plan Review system.

FISCAL YEAR 2024–25 GOALS:

- Improve service coordination for facility repairs to reduce backlogs and decrease wait times for new facility service request fulfillment.
- Research, evaluation, and potential implementation of new Budgeting/Accounting/ERP software.
- Complete exterior cleaning, restoration, and preservation of stone facades on City Hall.

General Fund

Non-Departmental/Facility Maintenance

General Ledger Department 43200

Expenditure Category	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Salary & Wages	\$ 44,723.00	\$ 60,283.00	\$ 54,563.37	\$ 143,563.00	\$ 112,463.00	\$ 179,684.00	\$ 36,121.00	25%
Employee Benefits	\$ 5,575.00	\$ 6,955.00	\$ 6,095.03	\$ 31,095.00	\$ 34,133.00	\$ 44,879.00	\$ 13,784.00	44%
PERS UAL	\$ 7,683.00	\$ 11,732.00	\$ -	\$ -	\$ -	\$ 235.00	\$ 235.00	100%
Professional Services	\$ 20,644.00	\$ 64,290.00	\$ 60,000.00	\$ 60,000.00	\$ 54,659.00	\$ 60,000.00	\$ -	0%
Property Services	\$ 181,719.00	\$ 167,629.00	\$ 128,192.28	\$ 128,192.00	\$ 144,107.00	\$ 143,455.00	\$ 15,263.00	12%
Operations	\$ 145,606.00	\$ 118,752.00	\$ 105,930.00	\$ 141,930.00	\$ 137,183.00	\$ 105,930.00	\$ (36,000.00)	-25%
Supplies	\$ 27,612.00	\$ 47,493.00	\$ 26,250.00	\$ 26,250.00	\$ 29,694.00	\$ 26,250.00	\$ -	0%
Software & Equipment	\$ 45,581.00	\$ 30,802.00	\$ 70,000.00	\$ 108,555.00	\$ 23,193.00	\$ -	\$ (108,555.00)	-100%
Internal Service & Capital Prj	\$ 287,817.00	\$ 313,090.00	\$ 320,304.00	\$ 320,304.00	\$ 320,304.00	\$ 362,439.00	\$ 42,135.00	13%
Debt Service	\$ -	\$ 2,274.00	\$ -	\$ -	\$ 13,886.00	\$ -	\$ -	0%
Expense Total	\$ 766,960.00	\$ 823,300.00	\$ 771,334.68	\$ 959,889.00	\$ 869,622.00	\$ 922,872.00	\$ (37,017.00)	-4%

*unaudited



CITY OF SONOMA

Transfers - General Fund to Other Funds (100-43999)

David Guhin, City Manager

Inter-fund transfers (General Fund to Other Funds) include transfers to debt service funds to pay General Fund debt service costs, General Fund transfers to CIP and General Fund miscellaneous transfers to other funds for various projects and expenditures as described below. The transfer of 1% TOT to the Housing Trust Fund is not illustrated on the table below since the monthly transfer is based on the actual TOT received for the month.

This account does not include transfers related to Internal Service Funds including Management Information Systems, Vehicle Replacement, Insurance Fund, Employee Benefits, and Long-Term Building Maintenance. Transfers related to Internal Service Funds are included in the separate department budgets based on cost allocations described in those budgets.

Transfers - General Funds to Other Funds

Fiscal Year 2024-25

From	From	Amount	To	To	Amount	Description
100	General Fund	\$ 20,000	304	Parks & Facilities CIP	\$ 20,000	P-12 Sonoma Oaks Playground Design
100	General Fund	\$ 50,000	304	Parks & Facilities CIP	\$ 50,000	P-8 Olsen Park Improvement Project
100	General Fund	\$ 50,000	301	City CIP	\$ 50,000	CD-7 Storm Drain System Condition Rating
100	General Fund	\$ 60,000	301	City CIP	\$ 60,000	CD-3 Broadway & Leveroni Flood Reduction & Trash Capture
100	General Fund	\$ 200,000	301	City CIP	\$ 200,000	T-6 Citywide Roadway Safety Improvement Projects
Transfer From General Fund		\$ 380,000			\$ 380,000	
201	SLESF Cops Grant	\$ 100,000	100	General Fund	\$ 100,000	Transfer from COPS
715	Pool Scholarship	\$ 25,000	100	General Fund	\$ 25,000	Scholarship Funding for New Pool at High School
510	Water Fund	\$ 41,923	100	General Fund	\$ 41,923	Lease Access Road Water Tank
510	Water Fund	\$ 41,923	100	General Fund	\$ 41,923	Lease Norrbom Road Water Tank
510	Water Fund	\$ 561,257	100	General Fund	\$ 561,257	Based on Matrix Cost Allocation Plan
Transfer To General Fund		\$ 770,103			\$ 770,103	

Enterprise Funds

**Water Utility – Operating
Cemetery – Operating
Cemetery – Endowment**



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CITY OF SONOMA

Public Works Department Water Utility (Fund 510)

*Michael Berger, Public Works Director
David Guhin, City Manager*

Providing High Quality, Dependable Water! Residents, visitors, and businesses in Sonoma count on the City to deliver high quality, dependable water for a variety of needs including consumption, irrigation, and fire protection. The Water Utility is an Enterprise Fund.

The City's water sources are the Sonoma County Water Agency (Sonoma Water) Aqueduct and City-owned and operated groundwater wells. In calendar year 2021, the Water Utility Operations Program delivered over 600 million gallons of potable water to its customers from these sources.

The Water Utility Operations Program operates and maintains 3 active City-owned tanks with a combined storage capacity of 5.5 million gallons, 7 production wells and appurtenant treatment facilities, 2 pump stations with a combined 140 horsepower maximum output, 56 miles of active water main ranging from 8" to 14" in diameter, 513 fire hydrants, and approximately 4,500 active service connections. The program also maintains some decommissioned facilities, including 3 decommissioned water tanks.

Regular operational activities include:

- Ensuring that the City delivers drinking water that meets or exceeds all EPA drinking water standards through diligent adherence to a State-approved schedule of water sampling and laboratory analysis.
- Monitoring and adjusting water tank levels, pumping schedules, and pressure reducing station parameters to maintain system pressures across three pressure zones at higher and lower elevations.
- Ensuring that the City's drinking water cannot become contaminated through administration of a robust backflow-prevention and cross-connection control program.
- Protecting property and conserving water by promptly repairing system leaks (e.g. water main breaks) and damage (e.g. vehicle collisions with fire hydrants).
- Operating ground water wells and protecting public health through implementation of industry-standard disinfection and treatment methods.
- Precisely measuring and maintaining accurate records of water production and delivery using 4,554 water meters, read each month.
- Providing customer service related to water bills and water quality inquiries.
- Promoting water conservation through public information and outreach campaigns, administration of rebate and incentive programs, and advance water supply and resiliency planning.
- Responding to 811 Underground Service Alert requests from the excavation community to prevent dig-ins and damage to the City's infrastructure during excavation.

FISCAL YEAR 2023–24 ACCOMPLISHMENTS:

- Recruited and onboarded a full team of water system operators including a Water Supervisor. Completed multiple employee certifications pertinent to job function/classification.
- Completed America’s Water Infrastructure Act Emergency Response Plan for the Water Utility.
- Responded to Grand Jury reports: Emergency Water Shortages in Sonoma Valley *The Situation has Worsened* and Sonoma Valley Regional Water Resources *Water for a Changing Future*. Commissioned and trained staff to operate an emergency system intertie between City of Sonoma and Valley of the Moon Water District.
- Completed motor and pump overhauls on Pumps #1 and #2 at the Norrbom Pump Station.
- Completed vault improvements and transitioned Supervisory Control and Data Acquisition (SCADA) equipment loads to a solar-photovoltaic array at the Pressure Zone 1-2 intertie facility.
- Improved security at key facilities through improved fencing and remote surveillance.
- Improved resiliency to staff shortages by completing emergency service contracts with neighboring water utilities and private contractors.
- Updated key Supervisory Control and Data Acquisition (SCADA) hardware and software components to support multi-operator remote notification, operation, and collaborative troubleshooting of system parameters.

FISCAL YEAR 2024–25 GOALS:

- Continue to develop a capable and dedicated workforce to safeguard the City’s drinking water.
- Respond to severe drought, including implementation of water shortage contingency plan, enforcement of mandatory water use restrictions, increased water production from City wells, and continued water conservation community partnership activities.
- Expand use of City’s Computerized Maintenance Management System (CMMS) for water system.
- Continue staff support of the Sonoma Valley Groundwater Sustainability Agency (SV GSA) and Sonoma County Water Agency Water Contractors Technical Advisory Committee.
- Improve system asset inventories and predictive maintenance schedules to improve equipment reliability and reduce repair costs.
- Support successful completion of the Capital Improvement Program project W4, Replacement of Water Services with Pavement Rehabilitation project.

CHALLENGES

Recruiting operators and supervisory staff that meet the minimum education and experience requirements and possess required State certifications to operate public water systems has been a serious and ongoing challenge for the Water Utility Operations Program.

Enterprise Funds

Public Works Division

Water Utility

General Ledger Fund 510

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Licenses & Permits	\$ 8,075.00	\$ 12,945.00	\$ 1,000.00	\$ 1,000.00	\$ 6,963.00	\$ 2,000.00	\$ 1,000.00	100%
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Charges For Services	\$ 61,880.00	\$ 67,832.00	\$ 62,500.00	\$ 62,500.00	\$ 77,338.00	\$ 57,000.00	\$ (5,500.00)	-9%
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Miscellaneous	\$ 5,905,069.00	\$ 5,944,900.00	\$ 6,450,000.00	\$ 6,450,000.00	\$ 5,752,980.00	\$ 6,772,500.00	\$ 322,500.00	5%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (22,903.00)	\$ 58,933.00	\$ 60,000.00	\$ 60,000.00	\$ 289,084.00	\$ 60,000.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 5,952,121.00	\$ 6,084,610.00	\$ 6,573,500.00	\$ 6,573,500.00	\$ 6,126,365.00	\$ 6,891,500.00	\$ 318,000.00	5%
Salary & Wages	\$ 469,866.00	\$ 585,177.00	\$ 720,141.00	\$ 720,141.00	\$ 687,680.00	\$ 764,733.00	\$ 44,592.00	6%
Employee Benefits	\$ 261,679.00	\$ 302,909.00	\$ 343,428.00	\$ 343,428.00	\$ 290,276.00	\$ 342,737.00	\$ (691.00)	0%
Professional Services	\$ 151,007.00	\$ 184,484.00	\$ 421,135.00	\$ 421,135.00	\$ 188,751.00	\$ 367,135.00	\$ (54,000.00)	-13%
Property Services	\$ 471,316.00	\$ 344,824.00	\$ 204,849.00	\$ 204,849.00	\$ 188,277.00	\$ 182,790.00	\$ (22,059.00)	-11%
Operations	\$ 222,497.00	\$ 145,698.00	\$ 242,290.00	\$ 242,290.00	\$ 149,813.00	\$ 242,290.00	\$ -	0%
Supplies	\$ 1,925,229.00	\$ 1,936,364.00	\$ 2,755,400.00	\$ 2,742,427.00	\$ 2,487,312.00	\$ 2,762,400.00	\$ 19,973.00	1%
Software & Equipment	\$ 7,920.00	\$ 11,598.00	\$ 15,420.00	\$ 28,393.00	\$ 17,073.00	\$ 15,420.00	\$ (12,973.00)	-46%
Internal Service & Capital Prj	\$ 131,336.00	\$ 125,601.00	\$ 648,457.00	\$ 648,457.00	\$ 154,010.00	\$ 655,030.00	\$ 6,573.00	1%
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ 844,526.00	\$ 1,087,026.00	\$ 4,605,792.00	\$ 1,087,026.00	\$ 1,337,026.00	\$ (3,268,766.00)	-71%
Debt Service	\$ 119,780.00	\$ 104,110.00	\$ 117,803.00	\$ 117,803.00	\$ 102,452.00	\$ 119,835.00	\$ 2,032.00	2%
Total Expense	\$ 3,760,630.00	\$ 4,585,291.00	\$ 6,555,949.00	\$ 10,074,715.00	\$ 5,352,670.00	\$ 6,789,396.00	\$ (3,285,319.00)	-33%
Excess/(Deficiency) of Revenue over Expense	\$ 2,191,491.00	\$ 1,499,319.00	\$ 17,551.00	\$ (3,501,215.00)	\$ 773,695.00	\$ 102,104.00	\$ 3,603,319.00	-103%
Beginning Fund Balance	\$ 4,047,455.00	\$ 6,238,946.00	\$ 7,738,265.00	\$ 7,738,265.00	\$ 7,738,265.00	\$ 8,511,960.00		
Ending Fund Balance	\$ 6,238,946.00	\$ 7,738,265.00	\$ 7,755,816.00	\$ 4,237,050.00	\$ 8,511,960.00	\$ 8,614,064.00		

*unaudited

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CITY OF SONOMA

City Manager Cemetery (Fund 501)

David Guhin, City Manager

The Cemetery Program is funded by the Cemetery Enterprise Fund. There are three cemeteries: Mountain, Valley, and Veteran's Memorial, encompassing over 15 usable acres. Operations and maintenance responsibilities include: burial and inurnment preparation and coordination, cemetery improvements, tree hazard assessment and abatement, grounds maintenance, mausoleum maintenance, road maintenance, and vandalism abatement.

For several years, the Cemetery Fund's budget showed expenses exceeding revenues, so the City's General Fund made transfers to the Cemetery Fund to balance the budget.

FISCAL YEAR 2023–24 ACCOMPLISHMENTS:

- Continued to provide compassionate and respectful customer service to families with loved ones placed at the Cities cemeteries.
- Contracted with Conservation Corp North Bay to provide fuel reduction of substantial overgrowth of vegetation and improved sight lines throughout Mountain Cemetery.
- Completed a financial and operational analysis and Developed a Strategic Operating Plan to address the Cemetery Fund deficit including restructuring fees.
- Initiated initial cemetery improvement plan to provide 100 additional above ground niche spaces to Mountain and Veterans' cemeteries inventory.
- Initiated Policies and Procedures update for City Cemeteries.
- Developed and initiated recruitment for a dedicated full-time Cemeteries Manager position.
- Supported volunteer maintenance activities with tools and equipment, tractors and operators, and debris containers and hauling.

FISCAL YEAR 2024–25 GOALS:

- Hire and onboard a dedicated full-time Cemeteries Manager to report directly to the City Manager.
- Continue to provide compassionate and respectful customer service to families with loved ones placed at the Cities cemeteries.
- Complete installation of 100 additional above ground niches at Mountain and Veterans' cemeteries.
- Conduct a maintenance assessment including tree hazards for all cemeteries.
- Develop programs and revenue streams to address the Cemetery Fund deficit.

CHALLENGES:

The primary challenge for cemeteries is an insufficient Endowment Fund and lack of developed inventory. Another challenge is the deferred maintenance of the City's cemeteries. City staff resources for cemetery

maintenance is currently one Public Works maintenance worker, with limited assistance by additional Public Works staff as needed.

Enterprise Funds

Public Works Division

Cemeteries

General Ledger Fund 501

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Licenses & Permits	\$ 122,443.00	\$ 89,994.00	\$ 105,000.00	\$ 105,000.00	\$ 117,394.00	\$ 105,000.00	\$ -	0%
Charges For Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ 50,000.00	\$ 91,923.00	\$ 91,923.00	\$ 91,923.00	\$ 91,923.00	\$ -	0%
Other Revenues	\$ 130,740.00	\$ 99,410.00	\$ 120,000.00	\$ 120,000.00	\$ 68,383.00	\$ 120,000.00	\$ -	0%
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ 1.00	\$ -	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 253,183.00	\$ 239,404.00	\$ 316,923.00	\$ 316,923.00	\$ 277,701.00	\$ 316,923.00	\$ -	0%
Salary & Wages	\$ 137,680.00	\$ 132,899.00	\$ 181,175.00	\$ 181,175.00	\$ 92,131.00	\$ 297,204.00	\$ 116,029.00	64%
Employee Benefits	\$ 76,461.00	\$ 77,161.00	\$ 100,535.00	\$ 100,535.00	\$ 56,183.00	\$ 126,949.00	\$ 26,414.00	26%
Professional Services	\$ 57,106.00	\$ 78,014.00	\$ 85,000.00	\$ 85,000.00	\$ 104,535.00	\$ 85,000.00	\$ -	0%
Property Services	\$ 37,050.00	\$ 46,105.00	\$ 51,822.00	\$ 51,822.00	\$ 45,187.00	\$ 37,233.00	\$ (14,589.00)	-28%
Operations	\$ 15,877.00	\$ 5,849.00	\$ 27,800.00	\$ 27,800.00	\$ 16,300.00	\$ 26,900.00	\$ (900.00)	-3%
Supplies	\$ 13,154.00	\$ 14,104.00	\$ 13,500.00	\$ 13,500.00	\$ 10,599.00	\$ 13,500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 19,445.00	\$ 5,370.00	\$ 10,700.00	\$ 10,700.00	\$ 10,700.00	\$ 11,338.00	\$ 638.00	6%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Depreciation	\$ -	\$ -	\$ 39,000.00	\$ 39,000.00	\$ -	\$ 39,000.00	\$ -	0%
Total Expense	\$ 356,773.00	\$ 359,502.00	\$ 509,532.00	\$ 509,532.00	\$ 335,635.00	\$ 637,124.00	\$ 127,592.00	25%
Excess/(Deficiency) of Revenue over Expense	\$ (103,590.00)	\$ (120,098.00)	\$ (192,609.00)	\$ (192,609.00)	\$ (57,934.00)	\$ (320,201.00)	\$ (127,592.00)	66%
Beginning Fund Balance	\$ (1,777,264.00)	\$ (1,880,854.00)	\$ (2,000,952.00)	\$ (2,000,952.00)	\$ (2,000,952.00)	\$ (2,058,886.00)		
Ending Fund Balance	\$ (1,880,854.00)	\$ (2,000,952.00)	\$ (2,193,561.00)	\$ (2,193,561.00)	\$ (2,058,886.00)	\$ (2,379,087.00)		

*unaudited

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City of Sonoma - Unfunded Accrued Liability CITY OF SONOMA

City Manager *Cemetery Endowment (Fund 504)*

David Guhin, City Manager

The Cemetery Endowment Fund was created to record the income received from Cemetery sales that is designated as endowment care. The City's Municipal Code defines endowment care as the general maintenance of the City's three cemeteries that is necessitated by natural growth and ordinary wear. This maintenance includes the planting, cutting, watering, and care of lawns, trees, and shrubs; the cleaning and upkeep of buildings; and the maintenance of utilities, walls, roadways, and walks. The City Council may also direct and use a portion of the income from such fund for such general care, maintenance, repairs, and section embellishment that they deem to be in the best interest of the cemeteries in order that the cemeteries are generally kept in the best condition possible within the limits of such income. The City determines the amount to be collected for endowment care from each purchaser of a cemetery plot. This amount is specified and listed in the schedule of fees adopted by the City Council. The City's Municipal Code also specifies that the City Manager or his/her designee shall oversee the maintenance, supervision, and upkeep of all city cemeteries as well as all other applicable ordinances and state law or regulations respecting the conduct of public cemeteries.

Enterprise Funds

Public Works Division

Cemetery Endowment

General Ledger Fund 504

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ 49,498.00	\$ 30,806.00	\$ 39,000.00	\$ 39,000.00	\$ 29,255.00	\$ 39,000.00	\$ -	0%
Interest Revenue	\$ -	\$ -	\$ 120.00	\$ 120.00	\$ 996.00	\$ 120.00	\$ -	0%
Total Revenue	\$ 49,498.00	\$ 30,806.00	\$ 39,120.00	\$ 39,120.00	\$ 30,251.00	\$ 39,120.00	\$ -	0%
Transfers	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	0%
Total Expense	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	0%
Excess/(Deficiency) of Revenue over Expense	\$ 49,498.00	\$ (19,194.00)	\$ (10,880.00)	\$ (10,880.00)	\$ (19,749.00)	\$ (10,880.00)	\$ -	0%
Beginning Fund Balance	\$ 756,065.00	\$ 805,563.00	\$ 786,369.00	\$ 786,369.00	\$ 786,369.00	\$ 766,620.00		
Ending Fund Balance	\$ 805,563.00	\$ 786,369.00	\$ 775,489.00	\$ 775,489.00	\$ 766,620.00	\$ 755,740.00		

*unaudited

INTERNAL SERVICE FUNDS

**Internal Service Funds Narrative
Management Information Services
Vehicle Replacement
Long-Term Building Maintenance**

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CITY OF SONOMA

Internal Service Funds

Internal service funds predominantly provide services to other City departments. They operate as cost-reimbursement mechanisms and as such are expected to recover the full cost of providing a given service over time.

Schedules for Management Information Services (MIS), Vehicle Replacement Fund and the Long-Term Building Maintenance Fund outline the operating plan of the internal service funds, including anticipated income, expenses and net change in working capital.

Internal service funds receive their revenue from the other departments based on the service provided to the other departments. The revenue for the internal service fund is in Charges for Services. The internal service funds also owe the other funds for expenses incurred on the fund's behalf, such as payroll processing costs, these expenses are shown in the related expense accounts.

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CITY OF SONOMA

Management Information Services - MIS (Fund 601)

Jade Filippi, Development Services Supervisor

The purpose of the Management Information Services (MIS) fund is to provide a funding mechanism for the operational costs, maintenance, and planned replacement of installed computer systems, equipment, software, telephone systems and other critical office equipment needed for the delivery of information and the conduct of business. All funds allocated for this purpose are derived from annual transfers from other City operations and therefore are reimbursements versus true revenues. The MIS Fund helps to prevent excessive swings in annual costs by anticipating future MIS replacement needs and amortizing the replacement costs over a period of time.

The City contracts with a computer consulting business for its network administration, network security and help desk support. Numerous other software vendors provide support to specific applications. While there is no City employee position that is dedicated solely to providing City management information services, MIS coordination has in the past been absorbed and fulfilled by the Development Services Director/Building Official. With the retirement of the Development Services Director/Building Official during fiscal year 23-24 and the creation of the new Community Development Department, the MIS coordination duties have been split between the City's Information Technology (IT) consultant and the City's Development Services Supervisor.

The City has been very proactive in investing in its MIS software, hardware and cybersecurity initiatives and we continue to evaluate new technologies that enhance customer service, data security and further improve staff efficiency and effectiveness.

It is typical within the MIS Fund for equipment and software purchase costs to fluctuate from year-to-year due to normal cyclical buying patterns and equipment replacement needs.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Modernized network by building redundancy and protecting from network failures, replaced the end-of-life Firewall with two Firewalls.
- Increased the Internet service circuit at Corp Yard from 20 mbps to 100 mbps.
- Replaced (end-of-useful-life) operating systems on 4 servers; re-install/configure applications as needed to meet current cybersecurity best practices.
- Installed Security Hardening/Engineering for the Virtual Local Area Network (Vlan) with additional traffic limiting; outgoing traffic blocking; port blocking; cyber coverage remediations.
- Installed Video Conferencing capability in City Hall Conference Room.

FISCAL YEAR 2024-25 GOALS:

- Migrate servers to Virtual Servers. Long term savings benefit by not replacing hardware every 5 years and reducing annual software renewals and upgrades. Virtual Servers will have enhanced disaster recovery and business continuity.
- Replacing end of life switches and installation of additional switch to build network redundancy ensuring network is protected when one device fails and providing network fault tolerance.
- Cyber Compliance, map compliance measures to NISTS guidelines (National Institute of Standards and Technology)
- Continue installation of Security Hardening/Engineering for the Virtual Local Area Network (Vlan).
- Continue to maintain the City's Information Management Services (MIS) systems including the scheduled replacement and upgrading of MIS equipment and software.
- Plan for the successful succession and transition of MIS coordination and management for the City.

Internal Service Funds

Management Information Services - MIS

General Ledger Fund 601

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Charges For Services	\$ 342,182.00	\$ 440,446.00	\$ 488,630.00	\$ 488,630.00	\$ 482,974.00	\$ 505,317.00	\$ 16,687.00	3%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (1,251.00)	\$ 3,221.00	\$ -	\$ -	\$ 9,307.00	\$ -	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 340,931.00	\$ 443,667.00	\$ 488,630.00	\$ 488,630.00	\$ 492,281.00	\$ 505,317.00	\$ 16,687.00	3%
Professional Services	\$ 37,796.00	\$ 12,656.00	\$ 56,920.00	\$ 56,920.00	\$ 12,000.00	\$ 74,400.00	\$ 17,480.00	31%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ 201,496.00	\$ 280,500.00	\$ 364,692.00	\$ 364,692.00	\$ 362,107.00	\$ 427,566.00	\$ 62,874.00	17%
Supplies	\$ -	\$ -	\$ 500.00	\$ 500.00	\$ 526.00	\$ 500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 69,887.00	\$ 119,678.00	\$ 103,281.00	\$ 103,281.00	\$ 59,420.00	\$ 88,693.00	\$ (14,588.00)	-14%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Depreciation	\$ -	\$ -	\$ 17,000.00	\$ 17,000.00	\$ -	\$ 17,000.00	\$ -	0%
Total Expense	\$ 309,179.00	\$ 412,834.00	\$ 542,393.00	\$ 542,393.00	\$ 434,053.00	\$ 608,159.00	\$ 65,766.00	12%
Excess/(Deficiency) of Revenue over Expense	\$ 31,752.00	\$ 30,833.00	\$ (53,763.00)	\$ (53,763.00)	\$ 58,228.00	\$ (102,842.00)	\$ (49,079.00)	91%
Beginning Fund Balance	\$ 161,264.00	\$ 193,016.00	\$ 223,849.00	\$ 223,849.00	\$ 223,849.00	\$ 282,077.00		
Ending Fund Balance	\$ 193,016.00	\$ 223,849.00	\$ 170,086.00	\$ 170,086.00	\$ 282,077.00	\$ 179,235.00		

*unaudited

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CITY OF SONOMA

Vehicle Replacement

(Fund 603)

Chris Pegg, Public Works Operations Manager

The purpose of the Vehicle Replacement fund is to provide a funding mechanism for the planned replacement of existing vehicles and equipment. All funds are derived from annual transfers made by City departments where the vehicles are assigned.

The Vehicle Replacement fund helps to prevent excessive swings in annual vehicle replacement costs by anticipating future vehicle and equipment replacement needs and amortizing the replacement costs over a period of time. Existing vehicles and equipment are replaced based on their need to be replaced such as obsolescence, high maintenance costs, loss of productivity or efficiency. It is common to see significant increases and decreases in this budget fund due to varying amortization and replacement cycles.

The fund is calculated on an amortization replacement schedule based on the estimated useful life and estimated replacement cost of the vehicle. There is an annual review of all vehicles and equipment to determine replacement needs and available replacement funding. Transferred funds exceeding planned purchases during the year are held in reserve until vehicles are purchased.

Internal Service Funds

Vehicle Replacement

General Ledger Fund 603

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Transfers	\$ 347,171.00	\$ 390,424.00	\$ 323,789.00	\$ 323,789.00	\$ 323,789.00	\$ 413,565.00	\$ 89,776.00	28%
Other Revenues	\$ -	\$ 2,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (940.00)	\$ 16,105.00	\$ 8,500.00	\$ 8,500.00	\$ 34,884.00	\$ 8,500.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 346,231.00	\$ 409,329.00	\$ 332,289.00	\$ 332,289.00	\$ 358,673.00	\$ 422,065.00	\$ 89,776.00	27%
Software & Equipment	\$ 236,496.00	\$ -	\$ 300,000.00	\$ 300,000.00	\$ 323,395.00	\$ 413,339.00	\$ 113,339.00	38%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer To Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Depreciation	\$ -	\$ -	\$ 236,000.00	\$ 236,000.00	\$ -	\$ 236,000.00	\$ -	0%
Total Expense	\$ 236,496.00	\$ -	\$ 536,000.00	\$ 536,000.00	\$ 323,395.00	\$ 649,339.00	\$ 113,339.00	21%
Excess/(Deficiency) of Revenue over Expense	\$ 109,735.00	\$ 409,329.00	\$ (203,711.00)	\$ (203,711.00)	\$ 35,278.00	\$ (227,274.00)	\$ (23,563.00)	12%
Beginning Fund Balance	\$ 721,745.00	\$ 831,480.00	\$ 1,240,809.00	\$ 1,240,809.00	\$ 1,240,809.00	\$ 1,276,087.00		
Ending Fund Balance	\$ 831,480.00	\$ 1,240,809.00	\$ 1,037,098.00	\$ 1,037,098.00	\$ 1,276,087.00	\$ 1,048,813.00		

*unaudited



CITY OF SONOMA

Long-Term Building Maintenance (Fund 610)

Chris Pegg, Public Works Operations Manager

The Long-Term Building Maintenance (LTBM) Fund is an Internal Service Fund, which allows the City to set aside funds for the future replacement or repair of certain maintenance items in City owned building facilities. This fund anticipates the eventual replacement of roofing, exterior and interior paint, floor coverings, HVAC equipment, parking lot paving, and miscellaneous other items in City owned and maintained facilities and provides a mechanism by which the City can recover some or all of the expected maintenance costs by spreading the anticipated long-term maintenance costs out annually and including the anticipated expenses in the overhead formulas for fees for services.

Large swings in annual LTBM repair and maintenance project costs are normal and expected due to the varying types of projects being performed from year-to-year.

One of the challenges surrounding the maintenance of the City's facilities is the limited staff capacity to initiate and implement renovation or rehabilitation projects. Both Building Department and Public Works staff have other primary duties and facility maintenance often gets deferred for more immediate or time sensitive City priorities. Another area of future focus might be to hire an outside study and review of each of the City's facilities to ensure that the proper amount of funding is being set aside each year to truly meet the maintenance needs. Sonoma has been proactive in setting aside funding through industry benchmarks, but a specific asset/facility assessment has not been completed.

Internal Service Funds

Long-Term Building Maintenance

General Ledger Fund 610

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Charges For Services	\$ 314,635.00	\$ 295,672.00	\$ 304,380.00	\$ 304,380.00	\$ 253,650.00	\$ 313,524.00	\$ 9,144.00	3%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (12,986.00)	\$ 33,422.00	\$ 8,000.00	\$ 8,000.00	\$ 99,754.00	\$ 8,000.00	\$ -	0%
Total Revenue	\$ 301,649.00	\$ 329,094.00	\$ 312,380.00	\$ 312,380.00	\$ 353,404.00	\$ 321,524.00	\$ 9,144.00	3%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ 1,885.00	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ -	\$ -	\$ 305,000.00	\$ 284,025.00	\$ 55,048.00	\$ 35,000.00	\$ (249,025.00)	-88%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer To Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ -	\$ -	\$ 305,000.00	\$ 284,025.00	\$ 56,933.00	\$ 35,000.00	\$ (249,025.00)	-88%
Excess/(Deficiency) of Revenue over Expense	\$ 301,649.00	\$ 329,094.00	\$ 7,380.00	\$ 28,355.00	\$ 296,471.00	\$ 286,524.00	\$ 258,169.00	910%
Beginning Fund Balance	\$ 2,207,813.00	\$ 2,509,462.00	\$ 2,838,556.00	\$ 2,838,556.00	\$ 2,838,556.00	\$ 3,135,027.00		
Ending Fund Balance	\$ 2,509,462.00	\$ 2,838,556.00	\$ 2,845,936.00	\$ 2,866,911.00	\$ 3,135,027.00	\$ 3,421,551.00		

*unaudited

SPECIAL REVENUE FUNDS

**Public Education and Government (PEG)
Citizen's Option for Public Safety (COPS) Grant
Gas Tax Funding
Road Maintenance and Rehab. Act (RMRA: SB 1)
Traffic Relief Act for Sonoma County (MeasM)
Parks in Lieu - Quimby Act Fees
So. Cnty Parks Imprv, Water Quality & Fire Safety
(MeasM)
Cal. Parks, Environment, and Water Bond (Prop 68)
Grants Restricted
Swimming Pool Scholarship
Housing Trust Fund
Rate Range Intergovernmental Transfer (IGT-EMS)**



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CITY OF SONOMA

Public Education and Government (PEG)

(Fund 202)

David Guhin, City Manager

This fund accumulates funding from telecommunication operators, to support costs associated with acquiring Public Education and Government (PEG) access equipment, capital costs associated with renovating and constructing PEG related facilities and to support public, educational and government transparency by broadcasting public meetings.

Special Revenue Funds

Public Education and Government (PEG)

General Ledger Fund 202

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Fees	\$ 44,721.00	\$ 44,315.00	\$ 58,981.00	\$ 58,981.00	\$ 52,633.00	\$ 44,121.00	\$ (14,860.00)	-25%
Interest & Rents	\$ (3.00)	\$ 8.00	\$ 80.00	\$ 80.00	\$ 107.00	\$ 80.00	\$ -	0%
Total Revenue	\$ 44,718.00	\$ 44,323.00	\$ 59,061.00	\$ 59,061.00	\$ 52,740.00	\$ 44,201.00	\$ (14,860.00)	-25%
Professional Services	\$ 22,018.00	\$ 56,677.00	\$ 59,061.00	\$ 59,061.00	\$ 47,528.00	\$ 59,061.00	\$ -	0%
Total Expense	\$ 22,018.00	\$ 56,677.00	\$ 59,061.00	\$ 59,061.00	\$ 47,528.00	\$ 59,061.00	\$ -	0%
Excess/(Deficiency) of Revenue over Expense	\$ 22,700.00	\$ (12,354.00)	\$ -	\$ -	\$ 5,212.00	\$ (14,860.00)	\$ (14,860.00)	-100%
Beginning Fund Balance	\$ (19,444.00)	\$ 3,256.00	\$ (9,098.00)	\$ (9,098.00)	\$ (9,098.00)	\$ (3,886.00)		
Ending Fund Balance	\$ 3,256.00	\$ (9,098.00)	\$ (9,098.00)	\$ (9,098.00)	\$ (3,886.00)	\$ (18,746.00)		

*unaudited



CITY OF SONOMA

Citizen's Option for Public Safety (COPS) Grant (Fund 217)

*David Guhin, City Manager
Brandon Cutting, Police Chief*

The State of California has provided supplemental funding to local law enforcement agencies through continuation of funding for the Citizen's Option for Public Safety (COPS) grant program through the Supplemental Law Enforcement Services Account. These funds are distributed by the State to the County which passes through the funding to local agencies proportionally based on population, to be allocated at a minimum of \$100,000.

These funds have traditionally been used to support the costs of the Community Service Officer staff in the Police Department.

Special Revenue Funds

Citizen's Option for Public Safety

(COPS) Grant

General Ledger Fund 217

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Other Revenues	\$ 135,165.00	\$ 106,157.00	\$ 100,000.00	\$ 100,000.00	\$ 130,697.00	\$ 100,000.00	\$ -	0%
Interest Revenue	\$ (263.00)	\$ 678.00	\$ 2,000.00	\$ 2,000.00	\$ 11,152.00	\$ 2,000.00	\$ -	0%
Total Revenue	\$ 134,902.00	\$ 106,835.00	\$ 102,000.00	\$ 102,000.00	\$ 141,849.00	\$ 102,000.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ 2,100.00	\$ 2,100.00	\$ -	\$ -	\$ (2,100.00)	-100%
Transfers	\$ -	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	0%
Total Expense	\$ -	\$ -	\$ 102,100.00	\$ 102,100.00	\$ 100,000.00	\$ 100,000.00	\$ (2,100.00)	-2%
Excess/(Deficiency) of Revenue over Expense	\$ 134,902.00	\$ 106,835.00	\$ (100.00)	\$ (100.00)	\$ 41,849.00	\$ 2,000.00	\$ 2,100.00	-2100%
Beginning Fund Balance	\$ 124,965.00	\$ 259,867.00	\$ 366,702.00	\$ 366,702.00	\$ 366,702.00	\$ 408,551.00		
Ending Fund Balance	\$ 259,867.00	\$ 366,702.00	\$ 366,602.00	\$ 366,602.00	\$ 408,551.00	\$ 410,551.00		

*unaudited



CITY OF SONOMA

Gas Tax Funding (Fund 302)

Michael Berger, Public Works Director

The State of California imposes per-gallon excise taxes and sales taxes on gasoline and diesel fuel, and registration taxes on motor vehicles with allocations dedicated to transportation purposes. These allocations flow through the Highway Users Tax Account (HUTA), these gasoline tax revenues have been in place for decades. Gas taxes can be used for any street or road purpose; however, it is best practice to focus on maintenance and rehabilitation costs only. The City expects to receive Gas Tax revenues in the amount of \$303,432 in FY 2024-25, which will supplement previous years' retention funds. Significant additional gas tax revenue from the Road Maintenance and Rehabilitation Act (RMRA: SB 1, Fund 303) is described separately. Gas Tax funds are proposed to be applied to the following Capital Improvement Program (CIP) projects.

Special Revenue Funds

Gas Tax Funding

General Ledger Fund 302

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Property Taxes	\$ 265,478.00	\$ 279,351.00	\$ 267,139.00	\$ 267,139.00	\$ 300,763.00	\$ 303,432.00	\$ 36,293.00	14%
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (1,417.00)	\$ 3,648.00	\$ -	\$ -	\$ 22,900.00	\$ -	\$ -	0%
Proceeds from Issuance of Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 264,061.00	\$ 282,999.00	\$ 267,139.00	\$ 267,139.00	\$ 323,663.00	\$ 303,432.00	\$ 36,293.00	14%
Salary & Wages	\$ -	\$ 8,931.00	\$ -	\$ -	\$ 31,109.00	\$ 30,171.00	\$ 30,171.00	100%
Employee Benefits	\$ -	\$ 3,068.00	\$ -	\$ -	\$ 12,238.00	\$ 23,454.00	\$ 23,454.00	100%
PERS UAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,344.00	\$ 37,344.00	100%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,969.00	\$ 3,969.00	100%
Operations	\$ 600.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 13,865.00	\$ 217,946.00	\$ 510,000.00	\$ 766,755.00	\$ 395,730.00	\$ 986,000.00	\$ 219,245.00	29%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 14,465.00	\$ 229,945.00	\$ 510,000.00	\$ 766,755.00	\$ 439,077.00	\$ 1,080,938.00	\$ 314,183.00	41%
Excess/(Deficiency) of Revenue over Expense	\$ 249,596.00	\$ 53,054.00	\$ (242,861.00)	\$ (499,616.00)	\$ (115,414.00)	\$ (777,506.00)	\$ (277,890.00)	56%
Beginning Fund Balance	\$ 449,668.00	\$ 699,264.00	\$ 752,318.00	\$ 752,318.00	\$ 752,318.00	\$ 636,904.00		
Ending Fund Balance	\$ 699,264.00	\$ 752,318.00	\$ 509,457.00	\$ 252,702.00	\$ 636,904.00	\$ (140,602.00)		

*unaudited



CITY OF SONOMA

Road Maintenance and Rehabilitation Act (RMRA: SB 1) (Fund 303)

Michael Berger, Public Works Director

The Road Maintenance and Rehabilitation Account (RMRA) which allocates much of the revenue from the Road Repair and Accountability Act of 2017 (SB1) is a significant investment in California’s transportation system. The Act increased per-gallon excise taxes and sales taxes on gasoline and diesel fuel, and vehicle registration taxes, stabilized price-based fuel tax rates and provided for inflationary adjustments to rates in future years. The increased funding from RMRA will help to slow the decline in the City’s pavement condition. RMRA funds may be used for road maintenance and rehabilitation, safety projects, “complete street” components, and traffic control devices.

RMRA contains a local agency maintenance of effort (MOE) requirement that the City must maintain general fund spending for street, road, and highway purposes at not less than the average spent in 2009-10, 2010-11, and 2011-12 fiscal years. The required MOE amount for Sonoma is \$250,663. General fund spending for maintenance and operations and for Capital Improvement Projects for street and road purposes qualify for meeting the MOE requirement. The proposed FY 2024-25 budget would allow the City to meet the RMRA MOE. The City expects to receive \$275,578 of RMRA funds in FY 2024-25.

Special Revenue Funds

Road Maintenance and Rehabilitation Act

(RMRA: SB1)

General Ledger Fund 303

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Fees &	\$ 219,219.00	\$ 240,560.00	\$ 249,009.00	\$ 249,009.00	\$ 251,865.00	\$ 275,578.00	\$ 26,569.00	11%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (28.00)	\$ 71.00	\$ 1,200.00	\$ 1,200.00	\$ 11,225.00	\$ 1,200.00	\$ -	0%
Total Revenue	\$ 219,191.00	\$ 240,631.00	\$ 250,209.00	\$ 250,209.00	\$ 263,090.00	\$ 276,778.00	\$ 26,569.00	11%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 24,314.00	\$ 318,656.00	\$ 350,000.00	\$ 350,000.00	\$ 352.00	\$ 992,000.00	\$ 642,000.00	183%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 24,314.00	\$ 318,656.00	\$ 350,000.00	\$ 350,000.00	\$ 352.00	\$ 992,000.00	\$ 642,000.00	183%
Excess/(Deficiency) of Revenue over Expense	\$ 194,877.00	\$ (78,025.00)	\$ (99,791.00)	\$ (99,791.00)	\$ 262,738.00	\$ (715,222.00)	\$ (615,431.00)	617%
Beginning Fund Balance	\$ 279,702.00	\$ 474,579.00	\$ 396,554.00	\$ 396,554.00	\$ 396,554.00	\$ 659,292.00		
Ending Fund Balance	\$ 474,579.00	\$ 396,554.00	\$ 296,763.00	\$ 296,763.00	\$ 659,292.00	\$ (55,930.00)		

*unaudited



CITY OF SONOMA

Traffic Relief Act for Sonoma County (Measure M) (Fund 313)

Michael Berger, Public Works Director

Passed by more than two-thirds of voters in November 2004, the Traffic Relief Act for Sonoma County (Measure M) provides for a ¼ cent sales tax that is apportioned to local jurisdictions to maintain their streets, as well as other County-wide street, highway, transit, and safe bicycle and pedestrian routes.

The City expects to receive \$101,789 of Measure M revenue in FY 2024-25. Measure M funds from FY 2023-24 and funds remaining from prior fiscal years are proposed to be applied to the projects listed below and described in the Capital Improvement Program budget.

Special Revenue Funds

Traffic Relief Act for Sonoma County

(Measure M)

General Ledger Fund 313

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Property Taxes	\$ 85,475.00	\$ 145,643.00	\$ 111,544.00	\$ 111,544.00	\$ 115,418.00	\$ 101,789.00	\$ (9,755.00)	-9%
Interest Revenue	\$ (36.00)	\$ 94.00	\$ 600.00	\$ 600.00	\$ 7,422.00	\$ 600.00	\$ -	0%
Total Revenue	\$ 85,439.00	\$ 145,737.00	\$ 112,144.00	\$ 112,144.00	\$ 122,840.00	\$ 102,389.00	\$ (9,755.00)	-9%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ -	\$ 130,451.00	\$ 130,000.00	\$ 230,000.00	\$ 179.00	\$ 287,000.00	\$ 57,000.00	25%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ -	\$ 130,451.00	\$ 130,000.00	\$ 230,000.00	\$ 179.00	\$ 287,000.00	\$ 57,000.00	25%
Excess/(Deficiency) of Revenue over Expense	\$ 85,439.00	\$ 15,286.00	\$ (17,856.00)	\$ (117,856.00)	\$ 122,661.00	\$ (184,611.00)	\$ (66,755.00)	57%
Beginning Fund Balance	\$ 142,114.00	\$ 227,553.00	\$ 242,839.00	\$ 242,839.00	\$ 242,839.00	\$ 365,500.00		
Ending Fund Balance	\$ 227,553.00	\$ 242,839.00	\$ 224,983.00	\$ 124,983.00	\$ 365,500.00	\$ 180,889.00		

*unaudited



CITY OF SONOMA

Parks in Lieu-Quimby Act Fees (Fund 314)

Michael Berger, Public Works Director

Cities and counties in California have been authorized since the passage of the 1975 Quimby Act (California Government Code §66477) to pass ordinances requiring that developers set aside land, donate conservation easements, or pay fees for park improvements. Revenues generated through the Quimby Act cannot be used for the operation and maintenance of park facilities. The goal of the Quimby Act was to require developers to help mitigate the impacts of property improvements.

Pursuant to the Quimby Act, the City currently has a parkland dedication (exaction) requirement as a condition of approval for Tentative Subdivision Maps or Tentative Parcel Maps. The requirement is codified in Title 19 of the Development Code Section 19.69 – Dedications and Exactions. In summary, the code requires residential projects that require approval of a Tentative Subdivision Map (5 lots or more) or Tentative Parcel Map (4 lots or less) to either dedicate land, pay a fee in lieu of dedication, or both, for park or recreational purposes.

A developer can dedicate land and/or pay the fee as a result of a land use subdivision for 50 lots or more. For projects under 50 lots, a developer can only pay a fee and not be allowed to provide on-site land dedication. Any fee component must be established at the tentative map stage as a condition of approval and the City Planner establishes an amount for the fee based on a simple “fair market value” formula that calculates the amount of land required by the Code. If the developer opposes the amount of the fee, an appraisal can be provided at the cost of the developer.

The fees can only be used for new and rehabilitating existing parks and recreational facilities and must be reasonably related to serving the proposed subdivision. The fees must be “committed” within 5 years after payment, or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later. Otherwise, the fees must be returned and distributed to the then record owners.

Special Revenue Funds

Parks in Lieu-Quimby Act Fees

General Ledger Fund 314

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Impact Fees	\$ -	\$ 40,997.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (54.00)	\$ 137.00	\$ -	\$ -	\$ 11,059.00	\$ -	\$ -	0%
Total Revenue	\$ (54.00)	\$ 41,135.00	\$ -	\$ -	\$ 11,059.00	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 15,845.00	\$ 101,373.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 142,921.00	\$ 92,921.00	186%
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 15,845.00	\$ 101,373.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 142,921.00	\$ 92,921.00	186%
Excess/(Deficiency) of Revenue over Expense	\$ (15,899.00)	\$ (60,238.00)	\$ (50,000.00)	\$ (50,000.00)	\$ 11,059.00	\$ (142,921.00)	\$ (92,921.00)	186%
Beginning Fund Balance	\$ 394,394.00	\$ 378,495.00	\$ 318,257.00	\$ 318,257.00	\$ 318,257.00	\$ 329,316.00		
Ending Fund Balance	\$ 378,495.00	\$ 318,257.00	\$ 268,257.00	\$ 268,257.00	\$ 329,316.00	\$ 186,395.00		

*unaudited



CITY OF SONOMA

Sonoma County Parks Improvement, Water Quality and Fire Safety (Measure M) (Fund 315)

Michael Berger, Public Works Director

On November 6, 2018, Sonoma County voters approved “Sonoma County Parks Improvement, Water Quality and Fire Safety Measure” Measure M, a one-eighth cent sales tax that supports Sonoma County’s regional and city parks. Approved by 72.6 percent of voters, Measure M went into effect in April 2019 and will provide dedicated funding for parks for 10 years. Parks Measure M will support Sonoma County and its cities with our long-term needs to maintain, protect and operate parks. The tax will generate an estimated \$11.5 million annually, with an estimated \$7.6 million a year going to Sonoma County Regional Parks and an estimated \$3.8 million a year going to the nine cities. The City of Sonoma expects to receive \$155,451 of Parks Measure M funds in FY 2024-25. Funds from prior years provide the balance of funding for proposed Parks Measure M projects in FY 2024-25.

Measure M Funding Can Be Used To:

- Invest in maintenance of parks, trails, signs, buildings, and other infrastructure.
 - Improve playgrounds, sports fields, restrooms, picnic areas, and visitor centers;
 - Improve access to parks by extending or building regional trails, bike paths, coastal trails, and river trails;
 - Reduce wildfire risks through vegetation management;
 - Open publicly owned parkland that is currently not accessible;
 - Protect natural resources, including waterways and wildlife habitat; and
 - Offer recreation, education, and health programs in parks.
-

Special Revenue Funds

Sonoma County Parks Improvement, Water Quality and Fire Safety (Measure M)

General Ledger Fund 315

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Property Taxes	\$ 120,293.00	\$ 203,840.00	\$ 158,200.00	\$ 158,200.00	\$ 123,538.00	\$ 155,451.00	\$ (2,749.00)	-2%
Interest Revenue	\$ (7.00)	\$ 18.00	\$ -	\$ -	\$ 10,123.00	\$ -	\$ -	0%
Total Revenue	\$ 120,286.00	\$ 203,858.00	\$ 158,200.00	\$ 158,200.00	\$ 133,661.00	\$ 155,451.00	\$ (2,749.00)	-2%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ 36,477.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ -	\$ 35,000.00	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ -	\$ 49,434.00	\$ 122,000.00	\$ 242,000.00	\$ -	\$ 392,000.00	\$ 150,000.00	62%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 36,477.00	\$ 84,434.00	\$ 157,000.00	\$ 277,000.00	\$ -	\$ 427,000.00	\$ 150,000.00	54%
Excess/(Deficiency) of Revenue over Expense	\$ 83,809.00	\$ 119,424.00	\$ 1,200.00	\$ (118,800.00)	\$ 133,661.00	\$ (271,549.00)	\$ (152,749.00)	129%
Beginning Fund Balance	\$ 161,633.00	\$ 245,442.00	\$ 364,866.00	\$ 364,866.00	\$ 364,866.00	\$ 498,527.00		
Ending Fund Balance	\$ 245,442.00	\$ 364,866.00	\$ 366,066.00	\$ 246,066.00	\$ 498,527.00	\$ 226,978.00		

*unaudited



CITY OF SONOMA

California Parks, Environment, and Water Bond (Proposition 68) (Fund 316)

Michael Berger, Public Works Director

On June 5, 2018, California voters approved the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act, known as the California Clean Water and Safe Parks Act, Proposition 68. By passing the measure, voters authorized funding \$4.1 billion in bonds to protect our water and natural areas and help to ensure every Californian has access to safe drinking water and safe parks, particularly in low-income underserved communities. Proposition 68 will invest over \$1 billion in local and state parks. It allocates funds to construct and rehabilitation parks in communities across California, improve state parks, and expand access to parks, waterways, and natural areas. The Proposition 68 Per Capita Program allocates \$185,015 of one-time grant funds for the City to invest in Sonoma's parks. The City will also be eligible to apply for other funding from the bond to fund parks, water improvements for safe drinking water, recycling and flood protection, and climate change adaptation projects.

Proposition 68 Per Capita Program Description:

- Funds are available for local park rehabilitation, creation, and improvement.
- Projects must be for recreational purposes, either acquisition or development.
- A project can only have one location.
- Multiple projects may be completed under one contract; each project requires a separate application.
- Projects in Sonoma require a 20% match of the total project cost (eligible match sources include Federal funds, local funds, private funds, in-house employee services, and volunteer labor).
- Per Capita grant funds must be used to supplement, not supplant, local revenues.
- Pre-construction costs may not exceed 25% of the project amount.
- Projects must be accessible, including an accessible path of travel to the project.
- Authorizing resolution approving filing of application(s) must be submitted before project application.
- Application packet was submitted by December 28, 2021.
- Sign and Encumber Per Capita Contracts were completed on February 7, 2022
- Projects must be completed by December 31, 2023.
- Repairs and maintenance are ineligible costs.

Special Revenue Funds

California Parks, Environment and Water Bond (Proposition 68)

General Ledger Fund 316

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
State Grants & Other Revenues	\$ -	\$ -	\$ 185,015.00	\$ 185,015.00	\$ -	\$ -	\$ (185,015.00)	-100%
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ -	\$ -	\$ 185,015.00	\$ 185,015.00	\$ -	\$ -	\$ (185,015.00)	-100%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 52.00	\$ 3,596.00	\$ 185,015.00	\$ 185,015.00	\$ 181,541.00	\$ -	\$ (185,015.00)	-100%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 52.00	\$ 3,596.00	\$ 185,015.00	\$ 185,015.00	\$ 181,541.00	\$ -	\$ (185,015.00)	-100%
Excess/(Deficiency) of Revenue over Expense	\$ (52.00)	\$ (3,596.00)	\$ -	\$ -	\$ (181,541.00)		\$ -	0%
Beginning Fund Balance	\$ -	\$ (52.00)	\$ (3,648.00)	\$ (3,648.00)	\$ (3,648.00)	\$ (185,189.00)		
Ending Fund Balance	\$ (52.00)	\$ (3,648.00)	\$ (3,648.00)	\$ (3,648.00)	\$ (185,189.00)	\$ (185,189.00)		

*unaudited



CITY OF SONOMA

Grants Restricted

(Fund 630)

David Guhin, City Manager

The purpose of the Grants Restricted Fund is to separately track monies that are received and spent for capital improvement projects. The total revenue expected to receive from Federal and State grants for FY 2024-25 is \$360,000.

Special Revenue Funds

Grants Restricted

General Ledger Fund 630

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ 300,000.00	100%
Federal Grants	\$ -	\$ 502,114.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 1,253,760.00	\$ 60,000.00	\$ (3,140,000.00)	-98%
Total Revenue	\$ -	\$ 502,114.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 1,253,760.00	\$ 360,000.00	\$ (2,840,000.00)	-89%
Transfers Out - CIP	\$ -	\$ 501,000.00	\$ -	\$ -	\$ 1,253,718.00	\$ 360,000.00	\$ 360,000.00	100%
Total Expense	\$ -	\$ 501,000.00	\$ -	\$ -	\$ 1,253,718.00	\$ 360,000.00	\$ 360,000.00	100%
Excess/(Deficiency) of Revenue over Expense	\$ -	\$ 1,114.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 42.00	\$ -	\$ (3,200,000.00)	-100%
Beginning Fund Balance	\$ -	\$ -	\$ 1,114.00	\$ 1,114.00	\$ 1,114.00	\$ 1,156.00		
Ending Fund Balance	\$ -	\$ 1,114.00	\$ 3,201,114.00	\$ 3,201,114.00	\$ 1,156.00	\$ 1,156.00		

*unaudited



CITY OF SONOMA

Swimming Pool Scholarship (Fund 715)

David Guhin, City Manager

In 2014, the City entered an agreement with Sonoma Valley Health and Recreation Association to support the construction of a swimming pool within the Sonoma Valley. The City's financial commitment is for a total of \$250,000 to be paid in 10 annual installments of \$25,000 for the value of free and reduced-fee services to be provided to Sonoma Valley residents. This funding begins after construction of the pool is complete.

Special Revenue Funds

Swimming Pool Scholarship

General Ledger Fund 715

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Transfers	\$ -	\$ (25,000.00)	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (2,324.00)	\$ 5,982.00	\$ -	\$ -	\$ 10,210.00	\$ -	\$ -	0%
Total Revenue	\$ (2,324.00)	\$ (19,018.00)	\$ -	\$ -	\$ 10,210.00	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -	0%
Total Expense	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -	0%
Excess/(Deficiency) of Revenue over	\$ (2,324.00)	\$ (19,018.00)	\$ (25,000.00)	\$ (25,000.00)	\$ (14,790.00)	\$ (25,000.00)	\$ -	0%
Beginning Fund Balance	\$ 4,949.00	\$ 2,625.00	\$ (16,393.00)	\$ (16,393.00)	\$ (16,393.00)	\$ (31,183.00)		
Ending Fund Balance	\$ 2,625.00	\$ (16,393.00)	\$ (41,393.00)	\$ (41,393.00)	\$ (31,183.00)	\$ (56,183.00)		

*unaudited



CITY OF SONOMA

Housing Trust Fund (Fund 732)

David Guhin, City Manager

The purpose of the Housing Trust Fund is to accumulate and distribute funds in accordance with Council's Affordable Housing Plan. The main source of funding is from General Fund transfers of one percent of the Transient Occupancy Tax.

Special Revenue Funds

Housing Trust Fund

General Ledger Fund 732

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Fees	\$ 37,162.00	\$ 124,002.00	\$ -	\$ -	\$ 7,452.00	\$ -	\$ -	0%
Interest & Rents	\$ (21.00)	\$ 55.00	\$ 2,600.00	\$ 2,600.00	\$ 46,173.00	\$ 2,600.00	\$ -	0%
Transfers	\$ 522,816.00	\$ 492,553.00	\$ 512,000.00	\$ 512,000.00	\$ 390,300.00	\$ 429,716.00	\$ (82,284.00)	-16%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 559,957.00	\$ 616,610.00	\$ 514,600.00	\$ 514,600.00	\$ 443,925.00	\$ 432,316.00	\$ (82,284.00)	-16%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
PERS UAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Excess/(Deficiency) of Revenue over Expense	\$ 559,957.00	\$ 616,610.00	\$ 514,600.00	\$ 514,600.00	\$ 443,925.00	\$ 432,316.00	\$ (82,284.00)	-16%
Beginning Fund Balance	\$ 289,866.00	\$ 849,823.00	\$ 1,466,433.00	\$ 1,466,433.00	\$ 1,466,433.00	\$ 1,910,358.00		
Ending Fund Balance	\$ 849,823.00	\$ 1,466,433.00	\$ 1,981,033.00	\$ 1,981,033.00	\$ 1,910,358.00	\$ 2,342,674.00		

*unaudited



CITY OF SONOMA

Rate Range Intergovernmental Transfer (IGT-EMS) (Fund 796)

*David Guhin, City Manager
Steve Akre, Fire Chief*

The Rate Range Intergovernmental Transfer (IGT) program provides an opportunity to receive federal matching funds to support health services for Medi-Cal Managed Care beneficiaries served by the Fire Department. The Fire Department does not receive full reimbursement for the provision of medical services to Medi-Cal Managed Care patients. This means that the City “writes down” a portion of the Emergency Medical Service revenue each year. The IGT is a reimbursement payment that the City receives from the federal government as a partial backfill on these funds.

Currently, the Fire Department receives reimbursement of our Medi-Cal Managed Care costs from payments received from Medi-Cal Managed Care Plan Provider(s) (MMCPP). The City of Sonoma provides ambulance transports and meets the following IGT participation criteria: (1) provides law enforcement services, (2) has eminent domain authority, (3) has taxing authority. As such, the City of Sonoma is eligible to participate in an IGT program to request funds to recover unreimbursed Medi-Cal costs. The City uses the IGT funding for one-time and other ongoing emergency medical related costs.

Special Revenue Funds

Rate Range Intergovernmental Transfer (IGT-EMS)

General Ledger Fund 796

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Grants	\$ 486,018.00	\$ 1,134,934.00	\$ 500,000.00	\$ 500,000.00	\$ 1,025,533.00	\$ 900,000.00	\$ 400,000.00	80%
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Fees &	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (2,969.00)	\$ 7,639.00	\$ -	\$ -	\$ 52,350.00	\$ -	\$ -	0%
Proceeds from Capital Lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 483,049.00	\$ 1,142,573.00	\$ 500,000.00	\$ 500,000.00	\$ 1,077,883.00	\$ 900,000.00	\$ 400,000.00	80%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Professional Services	\$ -	\$ 529,225.00	\$ 420,000.00	\$ 877,218.00	\$ 703,901.00	\$ 475,000.00	\$ (402,218.00)	-46%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ 441,800.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 44,613.00	\$ 24,613.00	123%
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ -	\$ 971,025.00	\$ 440,000.00	\$ 897,218.00	\$ 723,901.00	\$ 519,613.00	\$ (377,605.00)	-42%
Excess/(Deficiency) of Revenue over Expense	\$ 483,049.00	\$ 171,548.00	\$ 60,000.00	\$ (397,218.00)	\$ 353,982.00	\$ 380,387.00	\$ 777,605.00	196%
Beginning Fund Balance	\$ 1,040,847.00	\$ 1,523,896.00	\$ 1,695,444.00	\$ 1,695,444.00	\$ 1,695,444.00	\$ 2,049,426.00		
Ending Fund Balance	\$ 1,523,896.00	\$ 1,695,444.00	\$ 1,755,444.00	\$ 1,298,226.00	\$ 2,049,426.00	\$ 2,429,813.00		

*unaudited

SUCCESSOR AGENCY RPTTF-ROPS

**Redevelopment Property Tax Trust
Fund for Recognized Obligation
Payments**



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CITY OF SONOMA

Successor Agency RPTTF-ROPS (Fund 391) ***[Redevelopment Property Tax Trust Fund*** ***for Recognized Obligation Payments]***

David Guhin, Executive Director, Successor Agency

One of the most profound impacts to the City's budget in many years was the dissolution of California redevelopment agencies by the State of California. The Redevelopment Dissolution Act, ABx1 26, signed by the Governor Jerry Brown in June 2011, was upheld by the California Supreme Court on December 29, 2011. The Court set the date of February 1, 2012, for dissolution of all California redevelopment agencies. The purpose for the State's elimination of redevelopment agencies was to realign property tax contribution from redevelopment agencies to schools and other property tax agencies within each county.

The City of Sonoma has elected to serve as the Successor Agency to the Sonoma Redevelopment Agency. The Dissolution Act requires that each successor agency have an Oversight Board composed of seven members appointed by specific governmental agencies. In addition, the City of Sonoma elected to not serve as the Housing Successor Agency and therefore transferred its housing assets and remaining housing funding to the Sonoma County Community Development Agency.

The budget represented by the Redevelopment Property Tax Trust Fund (RPTTF) and the Recognized Obligation Payment Schedule (ROPS) are part of the same action by the California Assembly Bill ABx1 26. Through this legislation, new guidelines were issued for the dissolution of the former redevelopment agency and the management of the remaining assets and financial commitments. State law requires development of a remittance and a payment schedule for State recognized and approved expenses. Every year, the City submits details of anticipated payments based on items authorized by the Department of Finance during the Due Diligence process which took place in 2013.

For expenses that are approved for RPTTF Funding, the City as Successor Agency receives pass through revenue when property taxes are remitted to the City by the County. The City then makes authorized payments from Successor Agency, RPTTF / ROPS Fund. The approved expenses include:

- Debt service costs which were previously funded by tax increment and that have an amortization schedule during the time of the dissolution of the RDA. These expenses will be paid using funds received under ROPS until the debt is fully paid according to the original schedule. For Sonoma, the schedule includes:
 - Tax Increment Bonds (TAB) issued in 2015 and 2021,
 - USDA note payable related to Village Green Housing, and
 - Payment to the Sonoma County Housing Authority for a loan issued by the Low Moderate Income Housing Fund to the Community Development Agency.
- Contract services through the end of any contracts issued before the dissolution of the Sonoma Community Development Agency. This includes the funding for Sonoma Overnight Services (Emergency Shelter). Utilities and building maintenance for the Emergency Shelter are paid by the City and in the Non-Departmental budget.
- Other expenses approved by the Successor Agency RPTTF are primarily related to professional services such as legal services.

Agency Funds

Successor Agency RPTTF-ROPS

(Redevelopment Property Tax Trust Fund for Recognized Obligation Payments)

General Ledger Fund 391

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Property Taxes	\$ 2,997,485.00	\$ 2,406,987.00	\$ 2,605,427.00	\$ 2,605,427.00	\$ 1,098,713.00	\$ 2,062,259.00	\$ (543,168.00)	-21%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (15,867.00)	\$ 44,020.00	\$ 45,000.00	\$ 45,000.00	\$ 75,333.00	\$ 45,000.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 2,981,618.00	\$ 2,451,007.00	\$ 2,650,427.00	\$ 2,650,427.00	\$ 1,174,046.00	\$ 2,107,259.00	\$ (543,168.00)	-20%
Professional Services	\$ -	\$ -	\$ 6,000.00	\$ 6,000.00	\$ -	\$ 6,000.00	\$ -	0%
Property Services	\$ 84,850.00	\$ 30,000.00	\$ 313,288.00	\$ 313,288.00	\$ 41,472.00	\$ 283,000.00	\$ (30,288.00)	-10%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 667.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers to County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Debt Service	\$ 1,819,964.00	\$ 1,411,517.00	\$ 2,311,363.00	\$ 2,311,363.00	\$ 1,393,199.00	\$ 2,302,338.00	\$ (9,025.00)	0%
Total Expense	\$ 1,905,481.00	\$ 1,441,517.00	\$ 2,630,651.00	\$ 2,630,651.00	\$ 1,434,671.00	\$ 2,591,338.00	\$ (39,313.00)	-1%
Excess/(Deficiency) of Revenue over Expense	\$ 1,076,137.00	\$ 1,009,490.00	\$ 19,776.00	\$ 19,776.00	\$ (260,625.00)	\$ (484,079.00)	\$ (503,855.00)	-2548%
Beginning Fund Balance	\$ (22,651,548.00)	\$ (21,575,411.00)	\$ (20,565,921.00)	\$ (20,565,921.00)	\$ (20,565,921.00)	\$ (20,826,546.00)		
Ending Fund Balance	\$ (21,575,411.00)	\$ (20,565,921.00)	\$ (20,546,145.00)	\$ (20,546,145.00)	\$ (20,826,546.00)	\$ (21,310,625.00)		

*unaudited

DEBT SERVICE FUNDS

2012 Refunding Water Bond (In Water Fund)



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CITY OF SONOMA



DEBT SERVICE FUNDS ***2012 Refunding Water Bond*** ***(In Water Fund 510-62001)***

David Guhin, City Manager

The City uses debt service funds for the tracking of revenue and interest related to long term debt principal and interest. Funds are transferred into the debt service funds from the appropriate fund.

In addition to the debt financing associated with the former Community Development Agency, the City has responsibility for the following:

- 2012 Refunding Water Bond, Refinance of the 2001 Water Bond -- Debt service costs related to this bond are paid directly from the Water Fund and are included in the water fund budget (510-62001).

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CAPITAL IMPROVEMENT PROGRAM (CIP)

-Departments and Funds

**Streets Capital Improvement Fund
Parks and Facilities Capital Improvement Fund
Water Capital Improvement Fund**



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CITY OF SONOMA

Streets Capital Improvement Fund (Fund 301)

Michael Berger, Public Works Director

The Street Capital Improvement Fund represents a transfer of funds from the General Fund to support improvements to the City's streets, sidewalks, bikeways, and storm drainage system. The City's transportation network provides the connection between different land uses, linking homes to shopping, jobs, and recreation. An efficient and integrated transportation system enables Sonoma residents to combine the benefits of small-town living with the job and recreation opportunities afforded by easy access to Sonoma Valley, Santa Rosa, Marin County, and San Francisco. The CIP proposes safety improvements, replacement of a degraded bridge, construction of a new pedestrian and bicycle bridge, and sidewalk repairs.

Capital Improvement Program

Streets Capital Improvement Fund

General Ledger Fund 301

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Impact Fees	\$ 15,688.00	\$ (13,820.00)	\$ 25,000.00	\$ 25,000.00	\$ 40,623.00	\$ -	\$ (25,000.00)	-100%
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ 501,000.00	\$ 195,000.00	\$ 195,000.00	\$ 1,423,404.00	\$ 310,000.00	\$ 115,000.00	59%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ 12,599.00	\$ -	\$ -	\$ -	\$ 101,920.00	\$ -	\$ -	0%
Interest Revenue	\$ (1,877.00)	\$ 4,832.00	\$ 1,200.00	\$ 1,200.00	\$ 8,248.00	\$ 1,200.00	\$ -	0%
Total Revenue	\$ 26,410.00	\$ 492,012.00	\$ 221,200.00	\$ 221,200.00	\$ 1,574,195.00	\$ 311,200.00	\$ 90,000.00	41%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ 323.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ 298,858.00	\$ -	\$ -	0%
Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 468,455.00	\$ 472,404.00	\$ 3,470,610.00	\$ 3,648,006.00	\$ 2,808,403.00	\$ 310,000.00	\$ (3,338,006.00)	-92%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 468,778.00	\$ 472,404.00	\$ 3,470,610.00	\$ 3,648,006.00	\$ 3,107,261.00	\$ 310,000.00	\$ (3,338,006.00)	-92%
Excess/(Deficiency) of Revenue over Expense	\$ (442,368.00)	\$ 19,608.00	\$ (3,249,410.00)	\$ (3,426,806.00)	\$ (1,533,066.00)	\$ 1,200.00	\$ 3,428,006.00	-100%
Beginning Fund Balance	\$ 345,941.00	\$ (96,427.00)	\$ (76,819.00)	\$ (76,819.00)	\$ (76,819.00)	\$ (1,609,885.00)		
Ending Fund Balance	\$ (96,427.00)	\$ (76,819.00)	\$ (3,326,229.00)	\$ (3,503,625.00)	\$ (1,609,885.00)	\$ (1,608,685.00)		

*unaudited



CITY OF SONOMA

Parks and Facilities
Capital Improvement Fund
(Fund 304)

Michael Berger, Public Works Director

The Parks and Facilities Capital Improvement Fund represents a transfer of funds from the General Fund to support improvements to the City's 17 parks encompass nearly 40 acres, nine play structures, two public restrooms, Class I bike trails, hiking trails, a duck pond, and a rose garden. The City's parks are vital to maintaining the quality of life in Sonoma. Parks contribute to the health of our citizens, and the economic and environmental well-being of our community. Daily maintenance of our urban parks is provided by City staff and a landscape contractor that performs mowing and trimming in neighborhood parks. The Sonoma Overlook Trail Stewards and the Sonoma Ecology Center care for the City's natural open space parks. Park needs that exceed the capacity of City and contract workers are included in this Capital Improvement Program (CIP).

Capital Improvement Program

Parks and Facilities Capital Improvement Fund

General Ledger Fund 304

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ 130,000.00	\$ 85,000.00	\$ 85,000.00	\$ 69,379.00	\$ 85,000.00	\$ -	0%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Chrgs Srvcs-Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (36.00)	\$ 92.00	\$ -	\$ -	\$ 9,761.00	\$ -	\$ -	0%
Total Revenue	\$ (36.00)	\$ 130,092.00	\$ 85,000.00	\$ 85,000.00	\$ 79,140.00	\$ 85,000.00	\$ -	0%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 53,772.00	\$ 22,242.00	\$ 85,000.00	\$ 393,258.00	\$ 282,085.00	\$ 85,000.00	\$ (308,258.00)	-78%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 53,772.00	\$ 22,242.00	\$ 85,000.00	\$ 393,258.00	\$ 282,085.00	\$ 85,000.00	\$ (308,258.00)	-78%
Excess/(Deficiency) of Revenue over Expense	\$ (53,808.00)	\$ 107,850.00	\$ -	\$ (308,258.00)	\$ (202,945.00)	\$ -	\$ 308,258.00	-100%
Beginning Fund Balance	\$ 248,097.00	\$ 194,289.00	\$ 302,139.00	\$ 302,139.00	\$ 302,139.00	\$ 99,194.00		
Ending Fund Balance	\$ 194,289.00	\$ 302,139.00	\$ 302,139.00	\$ (6,119.00)	\$ 99,194.00	\$ 99,194.00		

*unaudited



CITY OF SONOMA

Water Capital Improvement Fund (Fund 512)

Michael Berger, Public Works Director

The Water Utility Capital Improvement Fund represents a transfer of funds from the Water Utility Operating Fund to support improvements to the City's drinking water infrastructure.

Typical capital improvement projects include replacing aging water mains and appurtenances (e.g. tees, crosses, couplers, saddles, valves), neighborhood-scale water service replacement projects, renewing tank coatings and corrosion control systems, replacing well or pump station equipment, replacing Supervisory Control and Data Acquisition (SCADA) systems and equipment, a site or building improvements for well and pump station buildings (e.g. replacing roofs or electrical systems).

The proposed water utility capital improvement budget for FY 2024-25 funds projects that improve the resiliency of the City's water supply against drought or natural disaster and cost-effectively maximizes the useful life of existing assets. In FY 2024-25, Public Works is requesting a transfer of \$950,000 to fund various projects. The CIP budget provides descriptions of each of these projects. Water Utility CIPs begin with 'CIP #W'.

Capital Improvement Program

Water Capital Improvement Fund

General Ledger Fund 512

Description	FY 21-22 Actuals*	FY 22-23 Actuals*	FY 23-24 Adopted Budget	FY 23-24 Amended Budget	FY 23-24 Projected Actuals*	FY 24-25 Budget	\$ Change FY24-25 Budget to FY23-24 Amended Budget	% Change FY24-25 Budget to FY23-24 Amended Budget
Licenses & Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Charges For Services	\$ 22,405.00	\$ 19,633.00	\$ 75,000.00	\$ 75,000.00	\$ 75,144.00	\$ 75,000.00	\$ -	0%
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transfers	\$ -	\$ 32,500.00	\$ 400,000.00	\$ 3,918,765.00	\$ 400,000.00	\$ 950,000.00	\$ (2,968,765.00)	-76%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Chrgs Srvc-Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Interest Revenue	\$ (8,252.00)	\$ 21,239.00	\$ 2,750.00	\$ 2,750.00	\$ 59,630.00	\$ 2,750.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ 14,153.00	\$ 73,372.00	\$ 477,750.00	\$ 3,996,515.00	\$ 534,774.00	\$ 1,027,750.00	\$ (2,968,765.00)	-74%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Software & Equipment	\$ 52,570.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Internal Service & Capital Prj	\$ 792,951.00	\$ 51,043.00	\$ 400,000.00	\$ 4,635,222.00	\$ 1,499,527.00	\$ 950,000.00	\$ (3,685,222.00)	-80%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Total Expense	\$ 845,521.00	\$ 51,043.00	\$ 400,000.00	\$ 4,635,222.00	\$ 1,499,527.00	\$ 950,000.00	\$ (3,685,222.00)	-80%
Excess/(Deficiency) of Revenue over Expense	\$ (831,368.00)	\$ 22,329.00	\$ 77,750.00	\$ (638,707.00)	\$ (964,753.00)	\$ 77,750.00	\$ 716,457.00	-112%
Beginning Fund Balance	\$ 2,517,473.00	\$ 1,686,105.00	\$ 1,708,434.00	\$ 1,708,434.00	\$ 1,708,434.00	\$ 743,681.00		
Ending Fund Balance	\$ 1,686,105.00	\$ 1,708,434.00	\$ 1,786,184.00	\$ 1,069,727.00	\$ 743,681.00	\$ 821,431.00		

*unaudited

CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

**City of Sonoma 2024-29 Capital Improvement Prgm
CIP Projected Funding by Project for FY 2024-29**

CIP Projected Funding Sources

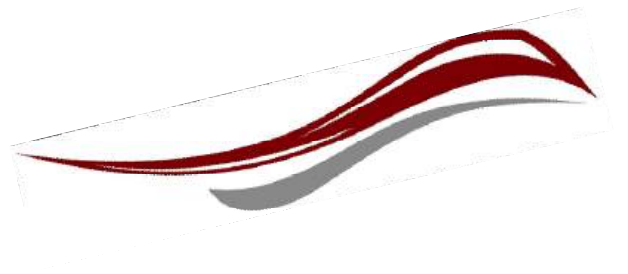
Buildings & Facilities

Creeks & Drainage

Parks

Transportation

Water



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City of Sonoma 2024-2029 Capital Improvement Program

The Capital Improvement Program (CIP) is a planning and budgeting document to support our safe, healthy, and vibrant community through investment in public infrastructure throughout the City. The CIP includes projects to improve the City's buildings; cemeteries; streets, sidewalks, bikeways and storm drainage; parks and open space; and the City's water system. Funding for projects in Year 1 of the CIP is part of the City's annual budget process. Projects with funding in years 2-5 of the CIP are approved on a planning basis only. City staff works with on-call consulting engineering firms and other consultants as needed, to deliver the City's projects.

BUILDINGS & FACILITIES: Maintaining Critical Assets

The City maintains over 48,000 square feet of building space in eight facilities: City Hall, Carnegie Building, Police Building/City Council Chambers/Emergency Operations Center, Corporation Yard, Fire Station, Sonoma Valley Regional Library, Depot Park Restrooms, and Maysonnave Property. The Sonoma community relies on the City to maintain these assets that are vital to the operation of the City.

CEMETERY: Preserving Sonoma's History

The City owns, maintains, and operates three cemetery properties, including: Mountain Cemetery, Valley Cemetery, and Veterans' Cemetery. The cemeteries encompass over 15 usable acres and actively provide the service of final disposition for our citizens' remains. This CIP does not include any cemetery projects.

CREEKS & DRAINAGE: Reducing Flooding & Protecting Water Quality

Three creeks flow through the City: Nathanson Creek, Sonoma Creek, and Fryer Creek. Catch basins, roadside ditches, and storm drainage piping collect and convey storm water runoff to these creeks. CIP projects can protect local creeks and the bay from pollutants associated with storm water runoff and can provide flood prevention for the City's transportation network, residents, and businesses. The ongoing challenge for storm water projects is complying with the stringent and costly State and Federal mandates that are largely unfunded.

PARKS: Making Life Better

The City's 17 parks encompass nearly 40 acres, nine play structures, two public restrooms, Class I bike trails, hiking trails, a duck pond, and a rose garden. The City also manages the Montini Preserve and the Sonoma Overlook Trail. The Plaza Park is the heart of Sonoma. The CIP includes "Parks for All" Measure M funds for Plaza and Depot parks.

TRANSPORTATION: Keeping Sonoma Moving Safely

The City's transportation network provides the connection between different land uses, linking homes to shopping, jobs, and recreation. An efficient and integrated transportation system enables Sonoma residents to combine the benefits of small-town living with the job and recreation opportunities afforded by easy access to Sonoma Valley, Santa Rosa, Marin County, and San Francisco. The transportation network includes facilities for pedestrians, bicyclists, transit riders, and motorists.

WATER: Providing High Quality, Dependable Water

Residents, visitors, and businesses in Sonoma count on the City to deliver high quality, dependable water. The potable water system is critical infrastructure that provide water for a variety of community needs including consumption, irrigation, and fire protection. The CIP is based on the projects identified in the 2018 Water Master Plan Update to achieve supply reliability, well resilience, public safety, and cost-effective renewal and replacement of aging system components.

Capital Improvement Program Projected Funding by Project for Fiscal Years 2024-29

CIP #	Project Name	FY 2024-25 Request	FY 2025-26 Request	FY 2026-27 Request	FY 2027-28 Request	FY 2028-29 Request	5-Year Total
<i>BUILDINGS & FACILITIES: Maintaining Critical</i>							
BF-2	Public Works Safety and Facility Security at Corporation Yard	\$0	\$70,000	\$0	\$75,000	\$0	\$145,000
BF-4	City Hall Emergency Power	\$0	\$50,000	\$0	\$0	\$0	\$50,000
BF-6	Carnegie Building Repairs and Maintenance Upgrades Project	\$0	\$0	\$125,000	\$0	\$0	\$125,000
SUBTOTAL		\$0	\$120,000	\$125,000	\$75,000	\$0	\$320,000
<i>CREEKS & DRAINAGE: Reducing Flooding and</i>							
CD-1	Storm Water Trash Reduction Systems	\$0	\$100,000	\$0	\$0	\$0	\$100,000
CD-3	Broadway & Leveroni Road Flood Reduction & Trash Capture Project	\$60,000	\$300,000	\$0	\$0	\$0	\$360,000
CD-7	Storm Drain System Condition Rating	\$50,000	\$100,000	\$0	\$0	\$0	\$150,000
SUBTOTAL		\$110,000	\$500,000	\$0	\$0	\$0	\$610,000
<i>PARKS: Making Life Better</i>							
P-3	Montini Preserve Fire Enhancement Project	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
P-8	Olsen Park Improvement Project	\$250,166	\$0	\$0	\$0	\$0	\$250,166
P-12	Sonoma Oaks Enhancements Project	\$92,000	\$350,000	\$0	\$0	\$0	\$442,000
P-13	Fifth St West Park	\$0	\$300,000	\$0	\$0	\$0	\$300,000
P-14	Sonoma Overlook Trail HCF Grant Project	\$5,000	\$0	\$0	\$0	\$0	\$5,000
SUBTOTAL		\$382,166	\$685,000	\$35,000	\$35,000	\$35,000	\$1,172,166
<i>TRANSPORTATION: Keeping Sonoma Moving</i>							
T-3	Biennial Slurry Seal Projects	\$350,000	\$0	\$250,000	\$0	\$250,000	\$850,000
T-4	Citywide Sidewalk Inspection and Repair Program	\$0	\$50,000	\$60,000	\$60,000	\$60,000	\$230,000
T-5	Ongoing Pavement Rehabilitation and Water Services Replacement Projects	\$1,915,000	\$0	\$500,000	\$250,000	\$250,000	\$2,915,000
T-6	Citywide Roadway Safety Improvement Projects	\$200,000	\$100,000	\$0	\$0	\$0	\$300,000
T-7	Broadway (SR 12) Streetscape Enhancement	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000
SUBTOTAL		\$2,465,000	\$150,000	\$860,000	\$360,000	\$610,000	\$4,445,000
<i>WATER: Providing High Quality, Dependable</i>							
W-4	Replacement of Water Services with Pavement Rehab Projects	\$650,000	\$0	\$0	\$0	\$0	\$650,000
W-8	Urban Water Management Plan and Minor Water Master Plan Update	\$0	\$25,000	\$0	\$0	\$0	\$25,000
W-10	Water Meter System Upgrades (AMI)	\$300,000					\$300,000
SUBTOTAL		\$950,000	\$25,000	\$0	\$0	\$0	\$975,000
FUND TOTAL		\$3,907,166	\$1,480,000	\$1,020,000	\$470,000	\$645,000	\$7,522,166

**City of Sonoma
Capital Improvement Program
Funding Sources**

Funding Source	Revenue Source	Restricted Uses	Maintenance of Effort (MOE) or Local Match?
General Fund	General taxes and fees	Unrestricted	No
Measure M Traffic Relief Act for Sonoma County	County-wide 1/4 cent sales tax for transportation. Ends in 2025 unless reapproved by the voters.	Maintenance of local streets and roads	Yes, MOE. 6.33% of local fund expenditures must be for transportation purposes. City is not currently meeting the MOE.
Gas Taxes	Revenue allocated by the State	Any street or road purpose. It is best practice to focus on maintenance and rehabilitation costs only.	No
Road Maintenance and Rehabilitation Account (RMRA): Senate Bill [SB] 1	Revenue allocated by the State	Road maintenance and rehabilitation, safety projects, "complete street" components, and traffic control devices	Yes, MOE. Must spend at least \$250,663 of General Fund annually for street, road, and highway purposes. City is proposing to meet the MOE in FY22-23.
Water Fund	City water customers	Water system operations, maintenance, and infrastructure	No
Community Development Block Grant (CDBG)	Federal Housing and Urban Development through County of Sonoma	ADA Self-Evaluation, Transition Plan, and Implementation Project	Yes, local match of \$20,000 of General Fund.
Proposition 68: California Parks, Environment, and Water Bond	Per Capita Grant Program	Local park rehabilitation, creation and improvement	Yes, MOE. Generally, the City is required to not reduce the amount of funding otherwise available to be spent on parks based on the past three fiscal years.
Sonoma County Parks Improvement, Water Quality and Fire Safety Measure M	County-wide 1/8 cent sales tax for parks	Parks related maintenance and projects	Yes, MOE.
Quimby Act Funds	Development fees for park improvements	New and rehabilitation of existing parks and recreational facilities	No. Fees must be returned if not "committed" within 5 years.

BUILDINGS & FACILITIES CAPITAL IMPROVEMENT PROGRAM

The City's buildings and facilities are critical assets where City and community business and activities are conducted. Daily maintenance of City buildings and facilities is provided by City staff, with assistance from specialty contractors. Funding for capital improvements to City buildings for assets with an estimable useful life and replacement cost (e.g. carpet, paint, and roofing) is set aside per a defined schedule of annual transfers to the City's Long-Term Building Maintenance Fund (Fund 610). Funding for unforeseeable capital improvement needs (e.g., unexpected failure, damage, or to accommodate new business operations or building uses) is budgeted as needs are identified.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Completed construction of the Depot Park Museum HVAC system contract.
- Completed in-depth renovation of the Haven Building
- Started construction of the Fire Station #1 HVAC system upgrades
- Treated bacterial staining on highly visible portions of the City Hall building's stone façade.
- Renovated the downstairs office spaces at City Hall to increase the number of employee workstations.

FISCAL YEAR 2024-25 GOALS:

- Design and construct City Hall emergency power, EV charging stations and palm tree lighting upgrades.
- Assess Fire Station #1 for scheduled replacement of flooring treatments, installation of automatic door operators, assessment of timber structural members and replacement of failing asphalt outside the apparatus bay.
- Construct a new motor-operated rolling security gate at the Corporation Yard.

CHALLENGES:

A challenge for building and facility CIP projects is limited staff capacity to initiate and implement projects and limited funding other than from the General Fund. Both Building and Public Works staff have other primary duties and facility projects are often deferred to attend to more urgent City initiatives.

BUILDINGS & FACILITIES: Maintaining Critical Assets

Project Name: Public Works Safety and Facility Security at Corporation Yard

CIP Number: BF-2

Project Description: The main vehicular entrance gate at the City’s Corporation Yard was damaged by the driver of a rented moving truck in 2018 and then further damaged in 2022 by thieves who cut through a portion of the gate’s locking mechanism to steal a catalytic converter from a city truck. The main gate is also manually operated, necessitating the tedious practice of drivers stopping their vehicle to open the gate, drive through, and then close it behind them to pass through. Public Works proposes replacing the main gate with a motor-operated rolling gate with access control that will improve security and ease of access for staff to the Corporation Yard.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: Spring 2026

Estimated Cumulative Prior Expenditures: \$0

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$0

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$0	\$70,000	\$0	\$75,000	\$0	\$145,000
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

BUILDINGS & FACILITIES: Maintaining Critical Assets

Project Name: City Hall Emergency Power, EV Chargers, and Palm Tree Lighting

CIP Number: BF-4

Project Description: The historic Sonoma City Hall does not currently have a source of electricity during power outages or emergency power shutdowns. As part of their Emergency Wildfire Safety Program, PG&E now has a Public Safety Power Shutoff program so more frequent power outages are expected in the future.

The City has portable generators that could provide power to City Hall during an emergency if a power connection is made available. City Hall was included in a City of Sonoma Standby Generators Study completed in February 2020. A generator and transfer switch are recommended for City Hall.

The nearby Carnegie Building has an existing emergency power connection, for use with a portable generator. The Police Building (with the Emergency Operations Center and City Council Chambers) and the Corporation Yard (with Public Works offices) both have stationary backup generators. City Hall is a critical facility that needs to be available to provide service to the community, even during times when electrical power is disrupted.



Project Contacts: Chris Pegg, Public Works Operations Manager

Estimated Installation: Fall 2025

Estimated Cumulative Prior Expenditures: \$10,000

Estimated 2022-23 Carryover: N/A

Total Project Funding: \$60,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Potential grant	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000
Total	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000

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CREEKS & DRAINAGE CAPITAL IMPROVEMENT PROGRAM

The City's storm drain system protects the buildings, streets, and sidewalks throughout Sonoma from flooding when it rains, helping Sonoma's residents, businesses, and visitors go to work, shop, and conduct their business conveniently during all but the worst of winter storms. The storm drain system has been designed and constructed to carry rain water away from buildings, streets, and sidewalks and into the nearest creek or drainage channel as efficiently as possible. Unfortunately, the storm drain system can also carry litter, motor oil, pesticides, fertilizers, and mud from the streets and sidewalks into local creeks, causing water pollution.

The City has implemented a Stormwater Pollution Prevention Program to minimize stormwater-related pollution to the maximum extent practicable since 2003. This program helps the City comply with stringent, costly, and largely unfunded State and Federal mandates to protect water quality in California's creeks and rivers.

The City has also identified several capital improvement projects which increase the level of flood protection provided by the storm drain system. Projects which increase flood-protection in the City's storm drain system are identified and prioritized in the 2011 Storm Drain Master Plan. The City also recognizes that State and Federal funding agencies favor flood reduction projects which have multiple benefits in addition to flood reduction.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- The City received grant funding to complete a drainage improvement trash capture project identified in the City's storm drain master plan along Broadway just south of Napa Road.
- The City has continued to restore native wetland vegetation and complete channel maintenance in the St Francis wetland and the open channel along the First Street West frontage of Depot Park that was reconstructed in 2020.
- Began design of a storm drain replacement project where a sinkhole formed at the corner of 5th St East and East MacArthur St.

FISCAL YEAR 2024-25 GOALS:

- Bid, award and complete construction of the failed storm drain system located at 5th St East and MacArthur.
- Utilizing the RFP process, completed a prioritized assessment of the City's storm drain system.
- Continue seeking to expand the Streets to Creeks outreach and incorporate it more fully into the City's Storm water education program.
- Begin grant acceptance process, planning, ROW acquisition and design of the drainage improvement trash capture project located near Broadway and Napa Road.

CHALLENGES:

Funding continues to be a significant challenge for creeks and drainage projects. Competitive Federal and State grant funds are available for some of the City's existing and future creeks and drainage projects. Many of the City's creeks and drainage-related efforts are already being leveraged as in-kind match for Federal and State grants that are supporting regional compliance partnerships in response to Federal and State water-quality laws. Additional funding for flood protection is occasionally available for City of Sonoma projects through the Sonoma County Flood Control Protection Zone 3A. The Sonoma County Water Agency seeks to leverage its funds as match for State or Federal grant opportunities when they become available.

CREEKS & DRAINAGE: Reducing Flooding & Protecting Water Quality

Project Name: Storm Water Trash Reduction Systems

CIP Number: CD-1

Project Description: Storm water runoff conveys significant amounts of trash to local creeks, negatively impacting water quality and wildlife. In June 2017, the State Water Resources Control Board designated 23 municipalities in the northern portion of the San Francisco Bay Area, including Sonoma, as subject to trash reduction requirements included in the Statewide Trash Amendments.

By December 1, 2018, the City was required to submit a trash reduction plan to the State Water Board. In subsequent years, trash reduction systems will need to be added to the City's storm drain network. The City will be required to retrofit its storm drain system to capture 100% of trash originating from designated priority land-uses over a ten-year period. The detailed trash reduction plan and proposed trash reduction system are being developed. Capital Improvement Program projects CD-3, if funded, would meet a portion of the City's trash reduction system requirements, and reduce the overall cost of this project.



Project Contact: Ian Anderson, Environmental Compliance Analyst

Estimated Construction: 2024-2029

Estimated Cumulative Prior Expenditures: N/A

Estimated 2022-23 Carryover: \$0

Total Project Funding: \$984,000 (Total Cost of 10-Year Compliance Strategy)

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
Total	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000

CREEKS & DRAINAGE: Reducing Flooding & Protecting Water Quality

Project Name: Broadway and Leveroni Road Flood Reduction and Trash Capture Project

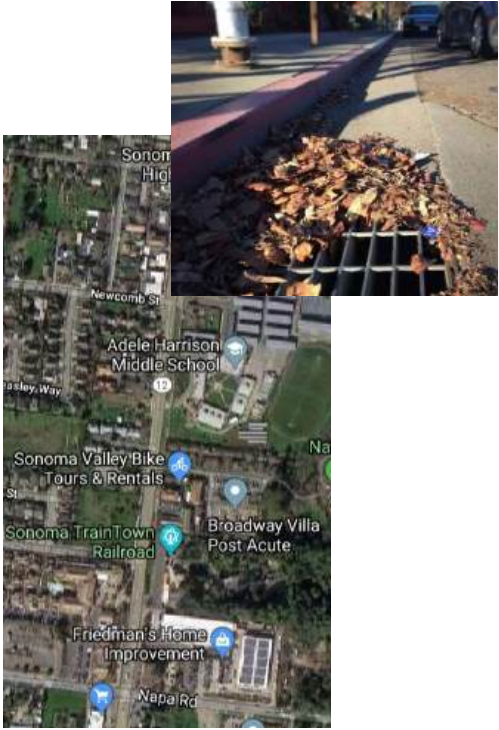
CIP Number: CD-3

Project Description: The Broadway/Leveroni Road area is the major southern gateway to Sonoma, but it is at risk of flooding during major storms and has documented trash and litter issues that are impacting nearby creeks.

The project reduces flooding along Broadway and surrounding areas by eliminating a constriction in the existing storm drain conduit just north of the Broadway/Leveroni Road intersection in Sonoma. This project component was identified in the 2011 Storm Drain Master Plan as Project CIP-6. In 2021, the City obtained grant funding to advance this project to 30% design, and was recently awarded a grant through the EPA, in partnership with the City of Petaluma, and Counties of Napa, Sonoma, and Marin. Project construction is estimated for Summer 2026.

The project also removes trash from a large high-trash-generation area through installation of a large hydro-dynamic separator south of the Broadway/Leveroni Road intersection. The project would include minor frontage improvements, including Low-Impact-Development features on the northeast and southeast corners of the intersection. These improvements would enhance pedestrian safety and provide treatment for runoff from the adjacent roadways.

This project also includes the Fryer Creek Connectivity Project, which includes design, installation of 0.41 acres of seasonal wetland, annual monitoring for vegetation, and design and installation of 0.55 acres of urban forest.



Project Contact: Ian Anderson, Environmental Compliance Analyst

Estimated Construction: 2025-26

Estimated Cumulative Prior Expenditures: \$27,000

Estimated 2022-23 Carryover: \$0

Total Project Funding: \$775,059

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$60,000	\$300,000	\$0	\$0	\$0	\$360,000
Grant Fund		\$106,077	\$281,982				\$388,059
Total	\$0	\$166,077	\$581,982	\$0	\$0	\$0	\$748,059

CREEKS & DRAINAGE: Reducing Flooding & Protecting Water Quality

Project Name: Storm Drain System Condition Rating

CIP Number: CD-7

Project Description: The City's storm drain systems conveys water runoff from a total watershed area of about 4,800 acres through a system of about 46 miles of pipeline (or varying materials) and 1.5 miles of roadside ditches. The storm drain infrastructure is aging and a recent storm drain pipe failure has highlighted the need to inspect the entire storm drain system and identify recommended repairs and improvements. This project will assess the existing condition of the City's storm drain infrastructure to identify problematic segments and develop a prioritized plan of improvements that will be incorporated into the Capital Improvement Program.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: 2024-25

Estimated Cumulative Prior Expenditures: \$0

Estimated 2023-24 Carryover: \$0

Total Project Funding: \$150,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$50,000	\$100,000	\$0	\$0	\$0	\$150,000
Grant Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$50,000	\$100,000	\$0	\$0	\$0	\$150,000

PARKS CAPITAL IMPROVEMENT PROGRAM

The City's parks are vital to maintaining the quality of life in Sonoma. Parks contribute to the health of our citizens, and the economic and environmental well-being of our community. Daily maintenance of our urban parks is provided by City staff. The Sonoma Overlook Trail Stewards and the Sonoma Ecology Center care for the City's natural open space parks. Park needs that exceed the capacity of City and other partners are included in this Capital Improvement Program (CIP).

On June 5, 2018, California voters approved the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act, known as the California Clean Water and Safe Parks Act, Proposition 68 (Prop 68), which has become a new revenue source for park related projects. The City has received \$185,015 in a one-time grant from Prop 68 and used this funding to complete the installation of new trash receptacles and bicycle racks in the Plaza.

In November 2018, Sonoma County voters approved "Sonoma County Parks Improvement, Water Quality and Fire Safety Measure" Measure M, a one-eighth cent sales tax that supports Sonoma County's regional and city parks. In FY 2023/24, it is estimated that the City will receive \$163,097 of this Measure M funding.

Quimby Act funding (described separately in the budget documents) can be used for park acquisition and improvement of existing parks and recreational facilities that serve a proposed subdivision.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Applied for and received a grant from the Habitat Conservation Fund to complete trail work on the Sonoma Overlook Trail (CIP XX). The project will rebuild degraded segments in the rocky upper reaches of a two-mile Sonoma Overlook Trail section. The project will be constructed in partnership with the Sonoma Overlook Trail Stewards.
- Completed the Plaza Park Enhancements project (CIP P10) adding 26 new 3 stream waste receptacles at the Plaza using Prop 68 funding. Also constructed 8 bicycle racks at the Plaza utilizing the Prop 68 grant.
- Completed the City of Sonoma Parks Needs Assessment to guide future park maintenance and CIP projects.
- Initiated concept and/or design projects with the City's on-call Landscape Architect.

FISCAL YEAR 2024-25 GOALS:

- Complete construction of Depot Park Enhancements (CIP P9) project using Parks Measure M Funds.
- Complete trail work on the Sonoma Overlook Trail (CIP XX) using grant funding from the Habitat Conservation Fund. This project will be constructed in partnership with the Sonoma Overlook Trail Stewards.
- Complete design and initiate construction to improve Pinelli Park and Olsen Park and complete design to improve Sonoma Oaks Park using Quimby Act funds from recent subdivisions in combination with Parks Measure M and General Fund funding. Complete community outreach and concept design for the City property at 5th W/MacArthur.

CHALLENGES:

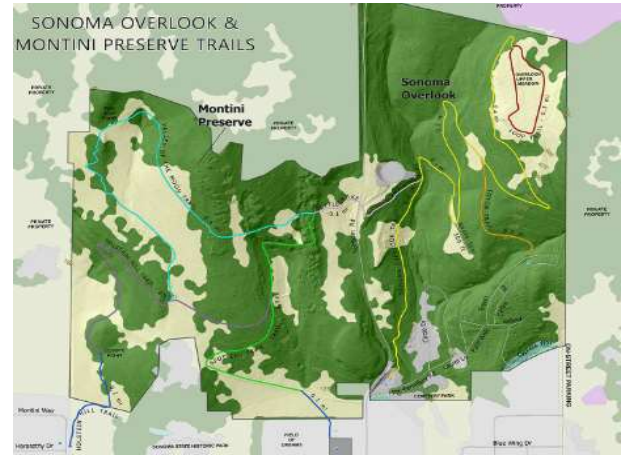
Building community consensus regarding appropriate park investments is challenging, and this CIP includes critical plan development as a tool for successful implementation of park enhancement ideas. Funding of park projects also continues to be a challenge, as park projects are generally funded by the City's limited General Fund. With the passage of Prop 68 and Sonoma County Parks Measure M, and the availability of Quimby funding from subdivision developments, the City is more able to fund parks related projects and work with the Parks, Recreation and Open Space (PROS) Commission to prioritize and recommend distribution of these funds to City Council.

PARKS: Making Life Better

Project Name: Montini Preserve Fire Enhancement Project

CIP Number: P-3

Project Description: The Montini Ranch occupied the area across Norrbom Road from the Sonoma Overlook Trail, and after many years the Sonoma Open Space District acquired a portion of the ranch abutting the Sonoma State Historic Park and City-owned Sonoma Overlook Trail. The Open Space District, after building trails, turned management of the trail over to the City of Sonoma. This is for annual contracts with the Sonoma Ecological Center to mitigate fire risks in this location.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: Summer 2025

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover \$0

Total Project Funding: \$175,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Measure M Parks	\$0	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
Total	\$0	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000

PARKS: Making Life Better

Project Name: Pinelli Park Improvement Project

CIP Number: P-7

Project Description: Pinelli Park is a 0.5 acre park located on France Street at Fourth Street East. The park includes vegetation, picnic tables and a play structure. Quimby Act funds are available for rehabilitation of Pinelli Park due to a small subdivision in proximity to this park. The Quimby Act funds are required to be committed by 2025 and must be used for rehabilitation of park and recreational facilities. Quimby Act funds cannot be used for operation and maintenance of park facilities. City staff has evaluated Pinelli Park and recommends the replacement of the sand substrate and the water feature in the playground as use of these Quimby Act funds.



Project Contact: Anthony Navarro, Parks Supervisor

Estimated Construction: Summer 2025

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover \$32,755

Total Project Funding: \$32,755

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Quimby Act	\$32,755	\$0	\$0	\$0	\$0	\$0	\$32,755
Total	\$32,755	\$0	\$0	\$0	\$0	\$0	\$32,755

PARKS: Making Life Better

Project Name: Olsen Park Improvement Project

CIP Number: P-8

Project Description: Olsen Park is a 2 acre park located on Linda Drive in northwestern Sonoma. The park includes vegetation, a basketball court, picnic tables and a play structure. Quimby Act funds are available for rehabilitation of Olsen Park due to a small subdivision in proximity to this park. The Quimby Act funds are required to be committed by 2026 and must be used for rehabilitation of park and recreational facilities. Quimby Act funds cannot be used for operation and maintenance of park facilities. City staff will evaluate Olsen Park and prioritize rehabilitation improvements to implement with the Quimby Act funds. These funds will be combined with General Fund dollars and Parks Measure M funds to rehabilitate sections of the park. This work is currently in progress, having taken feedback from residents for initial concept design work.



Project Contact: Anthony Navarro, Parks Supervisor

Estimated Construction: Spring 2025

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$200,166

Total Project Funding: \$370,166

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Quimby Act	\$80,166	\$0	\$0	\$0	\$0	\$0	\$0
Parks for All Measure M	\$120,000	\$120,000	\$0	\$0	\$0	\$0	\$120,000
Total	\$200,166	\$170,000	\$0	\$0	\$0	\$0	\$170,000

PARKS: Making Life Better

Project Name: Depot Park Enhancements Project

CIP Number: P-9

Project Description: The Depot Park is a 4.6 acre park that is only a block from the Historic Sonoma Plaza. The park is located adjacent to a scenic Bike Path that runs through town. The current amenities include: Picnic Tables and Barbeque Area.

The Depot Park Enhancements Project includes improvements to the bathrooms, adding two water bottle filling stations, bike parking, trash/recycling receptacles and wayfinding signage connecting all the outdoor spaces. Restroom improvements include interior and exterior painting, new doors, additional lighting and ADA accessibility. Landscape and drainage enhancements (bioretention areas) will remove pollutants in storm water runoff, protect creeks, and promote groundwater infiltration. On March 10, 2021, the Community Services and Environment Commission recommended this project for Measure M “Parks for All” funding in the FY 2021-22 budget process. “Parks for All” Measure M is a one-eighth-cent sales tax to support county and city parks for 10 years. The project will fold in a required bioretention feature offsetting impervious surface created by Chase Bridge.

Design of the improvements is complete. Construction is scheduled to begin in the Fall of 2024.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: 2024-25

Estimated Cumulative Prior Expenditures: N/A

Estimated 2022-23 Carryover \$200,000

Total Project Funding: \$200,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parks for All Measure M	\$200,000	\$0	\$0	\$0	\$0	\$0	\$200,000
Total	\$200,000	\$0	\$0	\$0	\$0	\$0	\$200,000

PARKS: Making Life Better

Project Name: Sonoma Oaks Enhancement Project

CIP Number: P-12

Project Description: Sonoma Oaks development was established in 2000 with the Engler Park as the center. This park was initially developed with flood retention in mind and was built without a playground.

Proposed enhancements at the Sonoma Oaks may include re grading and resurfcaing one corner of the park to accomodate a small sized playground as well as development of a picnic and seating area adjacent to the playground. Enhancements will require bringing portions of the park pathway up to current ADA code and will include pathway and parking improvements accordingly. Design work is under way and will continue in FY 24-25 to fully develop the project.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: 2026

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover \$0

Total Project Funding: \$442,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$20,000	\$116,667	\$0	\$0	\$0	\$136,667
Parks for All Measure M	\$0	\$72,000	\$233,333	\$0	\$0	\$0	\$305,333
Total	\$0	\$92,000	\$350,000	\$0	\$0	\$0	\$442,000

PARKS: Making Life Better

Project Name: 5th St West Park

CIP Number: P-13

Project Description: Develop a plan for a park on the City owned parcel at 5th St West and W. MacArthur

The City of Sonoma owns the vacant parcel (0.53ac) on the corner of 5th St West and W. MacArthur which is regularly used as a construction staging area. During the City of Sonoma's Public Works recent Parks Assessment, it was highlighted that this area of the City does not have a conveniently located neighborhood park. Additionally, the City is in receipt of Park-in-Lieu fees from two nearby developments. The parcel is quite small and finding the best use of the space as a park will be unique. Initial concept designs are underway in FY 22-23 and further development as well as neighborhood outreach will continue in FY 24-25. During this fiscal year FY 24-25, Public Works is only proposing to complete a preliminary design and gain neighborhood support.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: TBD

Estimated Cumulative Prior Expenditures: N/A

Estimated 2022-23 Carryover \$0

Total Project Funding: \$325,000

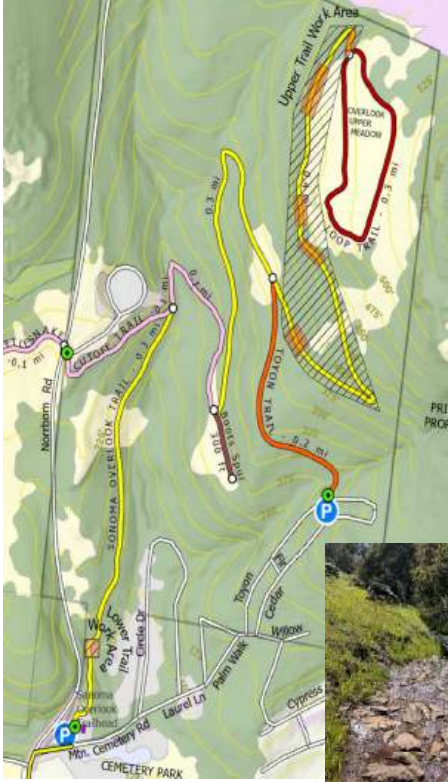
Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Quimby Act	\$0	\$25,000	\$300,000	\$0	\$0	\$0	\$325,000
General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$25,000	\$300,000	\$0	\$0	\$0	\$325,000

PARKS: Making Life Better

Project Name: Sonoma Overlook Trail Repair (HCF Grant Project)

CIP Number: P-14

Project Description: The Sonoma Overlook Trail was constructed over 20 years ago and receives heavy use by the public to enjoy the open space north of the City and the scenic vista from the top of the trail. This heavy use, combined with effects of winter storms, has resulted in several deficiencies in the upper trail section that routine maintenance cannot address. This is the third, and final project, in a series to repair portions of the trail. This project focuses on the upper trail to repair and rebuild degraded portions of the trail and correct deficiencies such as sudden grade changes, large expanses of bare, fractured rock which pose slip and trip hazards, and drainage and erosion issues. The project will also replace an old set of steps made of creosoted rail ties that is failing internally and externally at a critical access point on the Lower Trail, 100 yards beyond the main trailhead, parking area and information kiosk. As with the prior two repair projects, this project will be undertaken by two volunteer groups, the Sonoma OverLook Trail Stewards and Sonoma Ecology Center, with oversight by the City.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: 2024-25

Estimated Cumulative Prior Expenditures: N/A

Estimated 2024-25 Carryover: \$45,000

Total Project Funding: \$50,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Quimby Act	\$0	\$5,000	\$0	\$0	\$0	\$0	\$5,000
General Fund	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$45,000	\$5,000	\$0	\$0	\$0	\$0	\$5,000

TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM

The City's transportation network provides a connection between different land uses, linking homes to shopping, jobs, and recreation. An efficient and integrated transportation system enables Sonoma residents to combine the benefits of small-town living with the job and recreation opportunities afforded by easy access to Sonoma Valley, Santa Rosa, Marin County, and San Francisco (per the Circulation Element of the City's General Plan). The transportation network includes facilities for pedestrians, bicyclists, transit riders, and motorists.

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Completed the construction of the Chase St Bridge Replacement Project.
- Completed the first on call contractor concrete sidewalk repairs. Also completed sidewalk displacement cutting and hole patching at/near the Plaza
- Completed design of the biennial slurry seal project, construction to be completed in summer/fall 2024
- Completed construction of (4) Pedestrian Safety crossings across Broadway.
- Started design for the GoSonoma grant funded roadway safety improvement project and the pavement rehabilitation of Fryer, Picket and Nash Streets project.

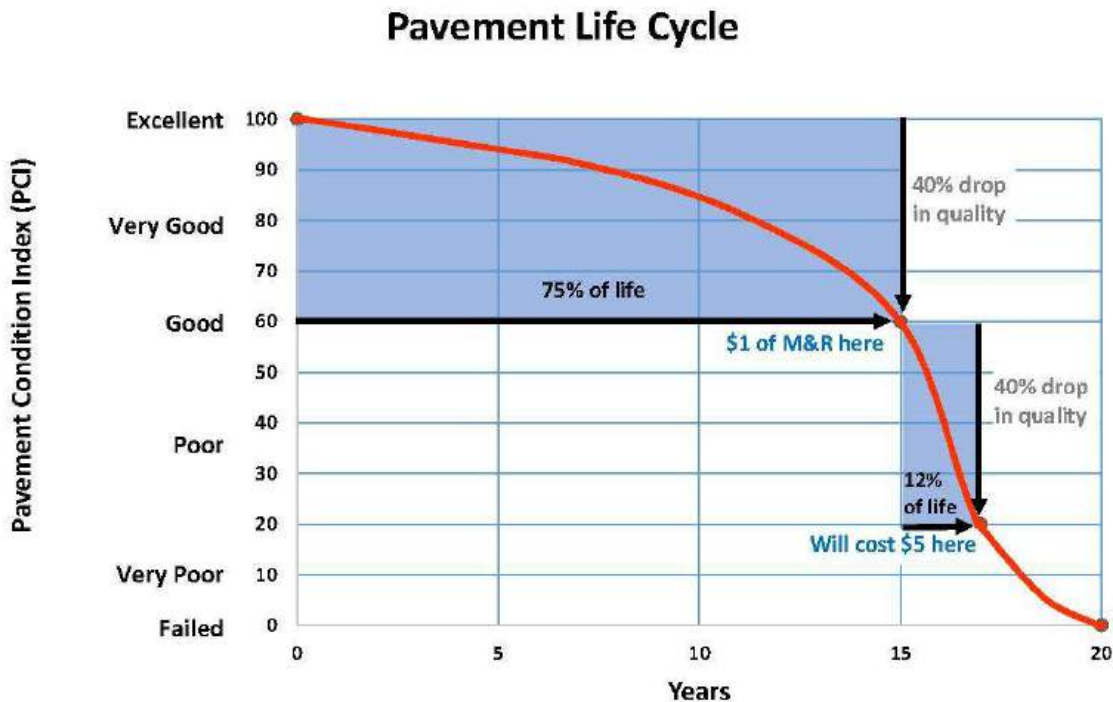
Pavement Preservation Investment

- Pavement structures represent one of the largest capital investments for the City. The timing of pavement maintenance is critical, as the maintenance cost increases exponentially with time. It is far more economical to preserve roads than to delay repairs and reconstruct roads. As of March of 2022, the City's Pavement Condition Index (PCI) is 69.
- Received P-TAP 24 Grant funds to continue technical assistance to reevaluate the City's streets following the 2022 Citywide Slurry Seal Project as well as 2023 Citywide Pavement Preservation Project.

FISCAL YEAR 2024-25 GOALS:

Transportation Safety

- The City's sidewalk system is a vital component of the transportation network. To help ensure the City's sidewalks are open and accessible to all persons, the City has been conducting a phased annual sidewalk inspection and repair program to minimize potential trip hazards caused by cracked and damaged sidewalks.
Goal: *Review/update City sidewalk program and continue the on-call concrete construction work and sidewalk shaving/hole repair*
- Complete design and start construction of the GoSonoma grant funded roadway safety improvement project.
- Complete the design of the pavement rehabilitation of Fryer, Picket and Nash Streets project.



Pavement Preservation Investment

- Pavement structures represent one of the largest capital investments for the City. The timing of pavement maintenance is critical, as the maintenance cost increases exponentially with time. It is far more economical to preserve roads than to delay repairs and reconstruct roads. This CIP continues the City’s commitment to keeping the City’s streets and multi-use pathways in a safe and functional condition for multi-modal circulation. As of March 2022, the City’s Pavement Condition Index (PCI) was 69.

Goal: Advance the 2024 Slurry Seal project and complete in Fall of 2024 as 2024 Pavement Preservation Project.

CHALLENGES:

Increased funding from the Road Maintenance and Rehabilitation Account will help to slow the decline in the City’s pavement condition. Increased numbers of residents, businesses, and visitors put demands on all of the City’s multi-modal transportation network. Funds are needed to maintain existing transportation infrastructure and to improve transportation networks for pedestrians, bicyclists, transit riders, and motorists. Existing local funds dedicated to transportation purposes are not sufficient to meet the needs. Federal and State grant funds are available for some of the City’s existing and future transportation projects. These grants come with complex regulations that are very time-consuming to learn and follow. The City’s limited staff needs assistance from a consultant with specialty grant expertise to successfully manage existing grant-funded projects and to seek additional grants to meet the community’s need for an efficient and integrated transportation system throughout the City.

TRANSPORTATION: Keeping Sonoma Moving Safely

Project Name: Biennial Slurry Seal Projects

CIP Number: T-3

Project Description: The biennial slurry seal projects are a part of the City’s commitment to keeping the City’s streets and multi-use pathways in a safe and functional condition for multi-modal circulation. The City maintains approximately 34 centerline miles of paved streets and 4 centerline miles of multi-use pathways. Maintaining pavements on the citywide system involves complex decisions about how and when to apply treatments to keep pavement performance operating cost at reasonable levels. The City’s Pavement Management Program (PMP) is updated on a regular basis to document and track pavement conditions. The PMP is utilized to conduct responsive preventative maintenance decisions on every other year, including examining the Pavement Condition Index (PCI), roadway classification, and/or pathway use and external factors.

The purpose of the biennial slurry seal projects is to extend service life of streets and pathways in “Good” condition or above (PCI ≥ 70). Project treatments include Type II slurry seal, microsurfacing, cap seal and crack seal. These projects are expected to utilize Road Maintenance and Rehabilitation Account (RMRA) funding received from Senate Bill 1: The Road Repair and Accountability Act of 2017 for slurry seal on roadways (estimated \$250,000 per year) and City general funds for slurry seal on multi-use pathways and for design.



MTC P-TAP Round 18

Final Report for
City of Sonoma, California

Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: Every other year during Late Spring/Summer/Early Fall

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover:

Total Project Funding: Ongoing – Biennial Project

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
SB 1: RMRA Funding		\$350,000	\$0	\$250,000	\$0	\$250,000	\$850,000
General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$ -	\$350,000	\$0	\$250,000	\$0	\$250,000	\$850,000

TRANSPORTATION: Keeping Sonoma Moving Safely

Project Name: Citywide Sidewalk Inspection & Repair Program

CIP Number: T-4

Project Description: This project continues annual sidewalk inspection and repair, implementing the City’s phased program. The City’s sidewalk system is a vital component of the public infrastructure. The California Streets and Highway Code 5610 et seq. and the City of Sonoma Municipal Code Chapter 12.12 require that owners of lots, or portions of lots, fronting on any portion of a public street shall maintain any sidewalk in such conditions that the sidewalk will not endanger persons or property, and will not interfere with the public’s use of those areas.

To help ensure the City’s sidewalks are open and accessible to all persons, the City Council adopted the Sidewalk Trip Hazard Repair Policy (Policy) in October 2013. This Policy was intended to use a multi-phased approach to minimize potential trip hazards caused by cracked and damaged sidewalks. The Policy’s implementation program includes eleven inspection and repair phases. The City has completed Phases 1 through 11. The program will continue with a maintenance phase as well as homeowner matching assistance to complete repairs. The City entered into an On-Call concrete contract in February 2023 under which City staff will work with a concrete company to repair identified hazards.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: Annually during Fall/Spring

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$ -

Total Project Funding: Ongoing – Annual Project

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$0	\$50,000	\$60,000	\$60,000	\$60,000	\$230,000
Total	\$0	\$0	\$50,000	\$60,000	\$60,000	\$60,000	\$230,000

TRANSPORTATION: Keeping Sonoma Moving Safely

Project Name: Ongoing Pavement Rehabilitation and Water Services Replacement Projects

CIP Number: T-5

Project Description: The ongoing pavement rehabilitation and water services replacement projects are a part of the City’s commitment to keeping the City’s streets and multi-use pathways in a safe and functional condition for multi-modal circulation. The process of flexible (asphalt) pavement rehabilitation involves prioritization of pavements in need of rehabilitation utilizing the City’s Pavement Management Plan (PMP); development of feasible rehabilitation strategies; and selection of the most cost effective strategy given a set of constraints including service life, life-cycle costs, and other utilities and budgetary considerations.

The City’s pavement rehabilitation portion of the projects will involve milling and resurfacing of the existing pavement to mitigate against the effects of rutting, cracking, and other distresses and will include, at a minimum, accessibility upgrades to pedestrian curb ramps, crosswalks, signage, and pavement markings. The project will include water services replacement as needed. These ongoing projects are expected to utilize a combination of funding sources including, but not limited to, Transportation Measure M sales tax, gas taxes, and City General Fund.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: Ongoing, during Summer/Early Fall

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$ -

Total Project Funding: Ongoing project

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$0	\$0	\$50,000	\$25,000	\$25,000	\$100,000
Gas Taxes	\$0	\$986,000	\$0	\$250,000	\$125,000	\$125,000	\$1,486,000
Transportation Measure M	\$0	\$287,000	\$0	\$100,000	\$50,000	\$50,000	\$487,000
SB 1: RMRA Funding		\$642,000		\$100,000	\$50,000	\$50,000	
Total	\$ -	\$ 1,915,000	\$ -	\$ 500,000	\$ 250,000	\$ 250,000	\$ 2,915,000

TRANSPORTATION: Keeping Sonoma Moving Safely

Project Name: Citywide Roadway Safety Improvement Projects

CIP Number: T-6

Project Description: On December 17, 2018, the City Council accepted the City’s Systemic Safety Analysis Report (SSAR). The SSAR provides cost-effective countermeasures to improve roadway safety within the City. The SSAR revealed seven systemic roadway safety issues including school area safety, collisions at unsignalized crossings, left-turn collisions at signalized intersections, unsafe vehicle speed, driving or bicycling under the influence of alcohol or drugs, collisions involving motor vehicles and fixed objects, and collisions between motor vehicles and cyclists.

City staff recently received grant funding through Measure M transportation funds, which was rebranded Go Sonoma. As part of the 2023 Go Sonoma Strategic Implementation Plan, the City plans to implement safety improvements at the crossing of Fifth Street West and Studley, as well as crosswalk improvements at 8 intersections along the City bike path. Additionally, a plan for a trail connecting Fourth Street East at Andrieux Street to Sassarini Elementary School is included. The City will start design in Fall 2024, and construction to start in Summer 2025.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: Summer 2025

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$ -

Total Project Funding: \$1,910,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$200,000	\$100,000	\$0	\$0	\$0	\$300,000
Gas Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grant Funding			\$1,610,000				
Total	\$ -	\$200,000	\$1,710,000	\$0	\$0	\$0	\$1,910,000

TRANSPORTATION: Keeping Sonoma Moving Safely

Project Name: Broadway (SR 12) Streetscape Enhancement

CIP Number: T-7

Project Description: The Broadway St / Napa Rd (Hwy 12) corridor is the doorway and main focal point of most traffic through the City of Sonoma. This project would develop a aesthetically pleasing street scape along the cooridor including increased street trees to provide shade as well as benches along the walkways for resting. Initial steps this fiscal year will be to conceptualize a design for the project and determine appropriate locations, and potentially develop a test location along the Hwy 12 corridor.



Project Contact: Ashley Cotter, Public Works Administrative and Project Manager

Estimated Construction: Ongoing, during Summer/Early Fall

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$ -

Total Project Funding: \$ 150,000

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
General Fund	\$0	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000
Total	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000

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WATER CAPITAL IMPROVEMENT PROGRAM

As described in the 2018 Water Master Plan Update, the Sonoma community relies on the City to deliver high quality, dependable water for drinking, cooking, cleaning dishes, hygiene, landscaping, operating restaurants, hotels and other businesses, as well as dozens of other uses each and every day. People also rely on the City to deliver water that the Sonoma Valley Fire & Rescue Authority needs to protect the lives, homes, and properties of the residents, visitors, and business owners in Sonoma and the surrounding area.

The Water Utility Capital Improvement Program undertakes major projects that renew, replace, or augment the water system infrastructure. This infrastructure includes 3 City-owned tanks with a combined storage capacity of 5.5 million gallons, 7 production wells and appurtenant treatment facilities, 2 pump stations with a combined 140 horsepower maximum output, 56 miles of water main ranging from 8" to 14" in diameter, 513 fire hydrants, and approximately 4500 service connections.

Typical capital improvement projects include replacing aging water mains and appurtenances (e.g. tees, crosses, couplers, saddles, valves), neighborhood-scale water service replacement projects, renewing tank coatings and corrosion control systems, replacing well or pump station equipment, replacing Supervisory Control and Data Acquisition (SCADA) systems and equipment, a site or building improvements for well and pump station buildings (e.g. replacing roofs or electrical systems).

FISCAL YEAR 2023-24 ACCOMPLISHMENTS:

- Completed the 2023 Water Rate Study and implemented the report findings
- Completed Capital Improvement Program project W13, Well No 1 Vault Cover and Air Exchange.
- Solicited proposals, awarded and started construction of the Capital Improvement Program project W10, Water Meter System Upgrades. This project will replace all 4500 water meters in the City with new meters with AMI technology

FISCAL YEAR 2024-25 GOALS:

- Complete construction of Capital Improvement Program project W10, Water Meter System Upgrades.
- Design and complete construction of new services in the Fryer, Picket and Nash Streets area. This work will be completed as part of the Capital Improvement Program project W4, Replacement of Water Services with Pavement Rehabilitation project and done prior to repaving the streets.
- Start the Urban Water Management Plan and Minor Water Master Plan Updates.

CHALLENGES:

Water Capital Improvement Program challenges include limited staff resources to implement projects, evolving groundwater regulations, and lack of data regarding the condition of existing water facilities.

WATER: Providing High Quality, Dependable Water

Project Name: Replacement of Water Services with Pavement Rehab Projects

CIP Number: W-4

Project Description: This project is connected to T-5: Ongoing Pavement Rehabilitation and Water Services Replacement Projects. T-5's project description notes that these projects will include water replacements as needed. CIP W-4 ties in water funds for water services replacements and subsequent paving needs. Because water services is in an enterprise fund, these funding sources need to remain



Project Contact: Terrance Erickson, Water Supervisor

Estimated Completion: (Ongoing)

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$ -

Total Project Funding: Ongoing

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Water Fund	\$0	\$650,000	\$0	\$0	\$0	\$0	\$650,000
Total	\$ -	\$650,000	\$0	\$0	\$0	\$0	\$650,000

WATER: Providing High Quality, Dependable Water

Project Name: Urban Water Management Plan and Minor Water Master Plan Update
CIP Number: W-8

Project Description: An Urban Water Management Plan (UWMP) is required every five years. The 2025 UWMP will replace the City’s 2020 UWMP. The purpose of the UWMP is to evaluate whether the City can meet the water demands of its customers as projected over a 20- or 25-year planning horizon. Any municipal water supplier serving over 3,000 connections or 3,000 acre-feet per year is required to prepare a UWMP every five years under the California Urban Water Management Planning Act.

As part of a Water Master Plan Update, the City will need to incorporate water system projects that the City has completed since the current date, revise water supply and demand data consistent with the 2020 UWMP, and identify proposed water system improvement projects for inclusion in the City’s Capital Improvement Program (CIP). The City is currently working with Sonoma Water on a demand analysis as part of the 2025 Urban Water Management Plan Update.



Project Contact: Terrance Erickson, Water Supervisor

Estimated Completion: (Ongoing)

Estimated Cumulative Prior Expenditures: N/A

Estimated 2023-24 Carryover: \$ -

Total Project Funding: Ongoing

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Water Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$ -	\$0	\$0	\$0	\$0	\$0	\$0

WATER: Providing High Quality, Dependable Water

Project Name: Water Meter System Upgrades
CIP Number: W-10

Project Description: Currently, the City uses mechanical meters, which are read once a month using a drive-by automatic meter reading system. The objectives for replacing the existing hybrid-mechanical system with Advanced Metering Infrastructure (AMI) are to: cost-effectively enhance customer service, improve water savings, and provide near real-time water usage data to the City’s water customers. AMI would improve water system operations and provide faster leak detection throughout the water distribution system.

The City successfully distributed a request for proposals for an AMI upgrade for all 4,500 meters in the City. The City is currently working with the awarded contractor, Ferguson Waterworks, Inc. on this project, and estimated completion is November 2024.



Project Contact: Terrance Erickson, Water Supervisor

Estimated Construction: 2024-25

Estimated Cumulative Prior Expenditures:

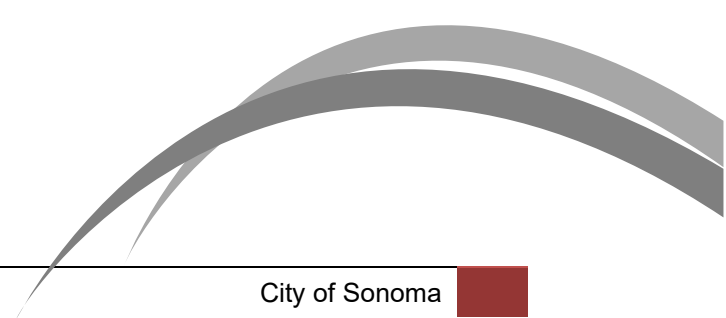
Estimated 2022-23 Carryover: \$3,493,981.00

Total Project Funding: \$3,793,981

Funding Source	Carryover Funding 2023-24	Requested Funding 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	Anticipated Request 2027-28	Anticipated Request 2028-29	5-year Total
Water Fund	\$3,493,981	\$0	\$0	\$0	\$0	\$0	\$0
Grant Fund		\$300,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$3,493,981.00	\$0	\$0	\$0	\$0	\$0	\$300,000

APPENDICES

Glossary Budget Resolutions



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CITY OF SONOMA

GLOSSARY OF FINANCIAL AND BUDGET TERMS

Accounts Payable: Amounts owed by the City to external entities for goods and services received.

Accounts Receivable: Amounts due to the City from external entities for goods and services furnished.

Accrual: Accrual is an accounting method that records revenues and expenses when they are incurred, regardless of when cash is exchanged.

Adopted Budget: Appropriations adopted through resolution by the City Council.

Adoption: Formal action by the City Council, which sets the spending path for the fiscal year.

Amended Budget: The current budget adopted by the City Council, in addition to Council-approved modifications authorized throughout the year.

Agency Funds: Also known as Fiduciary Fund types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City include the Successor Agency Funds.

Appropriation: An authorization made by the City Council, which permits the City to incur obligations and to make expenditures of resources. The authorization lapses at fiscal yearend.

Appropriation Limitation: Imposed by Propositions 4 and 111, creates a restriction on the amount of revenue which can be appropriated in any fiscal year. The Limit is based on actual appropriations during the 1978-79 fiscal year and is increased each year using the growth of population and inflation. Not all revenues are restricted by the limit; only those which are referred to as "proceeds of taxes." Some examples of proceeds of taxes are sales tax, property tax, and business license tax.

Assessed Valuation: A value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, the County for the secured and unsecured property tax rolls establishes assessed value; the utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. Proposition 13 also modified the value of real taxable property for fiscal year 1979 by rolling back values to fiscal 1976 levels. From this basis of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal. Property taxes for general purposes cannot exceed 1% of assessed value.

Asset: Resources owned or held by the City that have monetary value.

Audit: Prepared by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the City's financial statements present fairly the City's financial position and results of

operations in conformity with generally accepted accounting principles. In conjunction with their performance of an audit, it is customary for an independent auditor to issue a Management Letter stating the adequacy of the City's internal controls, as well as recommending improvements to the City's financial management practices.

Balance Sheet: A statement presenting the financial position of an entity by disclosing its assets, liabilities, and fund equities as of a specific date.

Bond: An interest-bearing or discounted government security that obligates the issuer to pay the bondholder(s) specified sums of money at regular intervals and to repay the principal of the loan at maturity. Bonds are used to finance large capital projects such as buildings, streets, utility infrastructure, and bridges.

Bond Proceeds: The funds received from the issuance of bonds.

Budget: A financial plan for a specified period of time that matches planned revenues and expenditures to municipal services, goals and objectives.

Budget Amendment: The City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those changes are to transfer appropriations from one line item to another within a departmental/activity budget.

Budget Calendar: The schedule of budget preparations, hearings and adoption of an annual budget.

Budget Policies: General and specific guidelines that govern financial plan preparation and administration.

Budgetary Basis: This refers to the form of accounting used throughout the budget process. These generally take one of three forms: GAAP, cash, modified accrual, or some type of statutory form.

California Environmental Quality Act (CEQA): A state law mandating environmental review of most public and private projects.

CalPERS: The California Public Employees' Retirement System. CalPERS provides retirement and health benefits to public employees, retirees, their families, and employers.

California Public Employee's Pension Reform Act (PEPRA): Act signed into law by Governor Jerry Brown for all public employers in the state that mandates new, lower benefit pension formulas for employees hired after December 31, 2012, with the goal of reducing pension costs over time.

California Society of Municipal Finance Officers (CSMFO): Statewide association for finance professionals in California cities, special districts, and counties, as well as commercial finance professionals, such as brokers, bankers, auditors, and specialized financial consultants. CSMFO offers a variety of professional training programs for its members.

Capital Assets: Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and have useful lives extending beyond a single reporting

period. Capital assets are not physically consumed by their use, though their economic usefulness typically declines over time.

Capital Budget: Program for financing long-term outlays for construction or major repairs of facilities, buildings, and infrastructure.

Capital Improvements: Construction or major repair of city facilities, buildings, and infrastructure.

Capital Outlay: The acquisition costs of equipment with a value greater than \$5,000 for non-infrastructure capital assets and \$25,000 for infrastructure capital assets and a useful life of five years or more used in providing direct services.

Capital Improvement Plan (CIP): A five-year plan providing for maintaining or replacing existing public facilities and assets and for building or acquiring new ones.

Cash Basis: A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Debt Service: The costs of paying the principal and interest on borrowed money according to a predetermined schedule.

Debt Service Funds: Funds used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Department: A major organizational unit of the City, which has been assigned overall management responsibility for an operation, or a group of related operations within a functional area.

Depreciation: Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.

Division: A functional unit within a department.

Encumbrance: The commitment of appropriated funds to purchase an item or service in the future.

Enterprise Funds: The fund type is used to account for operations that are financed and operated in a manner similar to private sector enterprises and it is the intent of the City that the costs of providing goods or services to the general public be financed or recovered primarily through user charges. The City accounts for the Cemetery and Water operations as Enterprise Funds.

Expenditures: The outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure; and encumbrance reserves funds to be expended.

Fiscal Year (FY): A time period designated by the city signifying the beginning and ending period for recording financial transactions. The City of Sonoma has specified July 1 to June 30 as its fiscal year.

Full-Time Equivalent (FTE): The conversion of permanent, part-time, or temporary positions to a decimal equivalent of a permanent, full-time position based on an annual amount of 2,080 hours worked.

Fund: An accounting entity with a self-balancing set of accounts recording financial resources and transactions for specific activities.

Fund Balance: Also known as financial position, fund balance for governmental fund types is the excess of fund assets over liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

Gann Appropriation Limit: A State of California mandated appropriation limit imposed on local jurisdictions.

General Fund: The primary operating fund of the City, all revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. With the exception of subvention or grant revenues restricted for specific uses, General Fund resources can be utilized for any legitimate government purpose. The General Fund accounts for tax and other general-purpose revenues, e.g., sales taxes, property taxes, fines and forfeitures, investment income, etc., and records the transactions of general governmental services, e.g., police, parks and recreation, public works, planning, etc.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Obligation (GO) Bonds: Debt that is a general obligation of the city, primarily financed through property tax assessment.

Government Finance Officers Association (GFOA): Organization established to promote and enhance the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, and leadership.

Governmental Accounting Standards Board (GASB): Organization established to improve standards of generally accepted accounting principles (GAAP) used by state and local governments.

Governmental Funds: Governmental Funds are used to account for most of the City's general government activities.

Grant: A contribution by a government or other organization to provide funding for a specific project. Grants can either be classified as capital projects or operational, depending on the grantee.

Interdepartmental Charges: Accounts for the reimbursement of the cost of services provided by Internal Service Fund programs to other programs and departments.

Internal Service Funds: Used to finance and account for goods and services provided by one City department to other city departments.

Joint Powers Authority (JPA): A unit of local government, authorized under the state Government Code, created to jointly administer a shared power, under the terms of a joint exercise of powers agreement adopted by the member agencies.

Liability: Debt or other legal obligations arising out of past transactions that will be liquidated, renewed, or refunded at some future date.

Line Item Budget: A budget that lists detailed expenditure categories (salary, materials, supplies, operations, etc.) separately, along with the amount budgeted for each specified category. The City uses a line item detail to maintain and record for financial reporting and control purposes.

Materials & Supplies: The costs of utilities, materials and supplies, services, fuel, and other non-labor costs.

Memorandum of Understanding (MOU): A document detailing the results of labor negotiations between the City and its various bargaining units.

Modified Accrual Basis of Accounting: The basis of accounting under which revenues are recognized when measurable and available to pay liabilities. Expenditures are recognized when the liability is incurred, except for interest on long term debt, which is recognized when due, and the noncurrent portion of accrued vacation and sick leave, which is recoded in general long-term debt.

Municipal Code: A collection of laws, rules, and regulations that apply to the City and its citizens.

National Pollution Discharge Elimination System (NPDES): Federally mandated program with the goal of reducing the discharge of pollutants into creeks.

Objective: A specific statement describing a result to be achieved in support of a department's purpose.

Operating Budget: A financial plan used to allocate resources among program operations, which lists an estimate of required expenditures and the means of financing them for the fiscal year.

Ordinance: A formal legislative enactment by the City Council.

Other Post-Employment Benefits (OPEB): Post-employment benefits that an employee will begin to receive when the employee retires.

Outstanding Encumbrance: The money allocated for payment of goods/services ordered but not yet received within the fiscal year at a given point in time.

Performance Measure: Data collected to determine how effective or efficient a program is in delivering services.

Personnel: Reflects total full-time, part-time, and temporary budgeted positions, expressed as full-time equivalents. (Example: Two half-time positions equal one full-time equivalent.)

Pension Obligation Bonds (POB): Debt incurred by the City to pay its unfunded accrued liability with the California Public Employees Retirement System.

Previous Actual: Audited revenues and appropriations for prior fiscal year(s).

Prior Year Encumbrances: Money set aside from last year's budget to pay for items or services ordered during that year but received in the subsequent fiscal year. The encumbrance is removed when the items or services are received and paid for.

Program: An activity or group of similar activities organized as a sub-unit of a department for planning, and performance measurement purposes.

Projected Actual: Estimate of revenues and appropriations for the fiscal year just ended, prior to the final accounting and external audit.

Purpose or Mission: A broad statement of the goals, in terms of meeting public service needs, that a department is organized to achieve.

Reserve: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose or designated by Council and is, therefore, not available for general appropriation.

Resolution: A special order of the City Council that requires less formality than an ordinance.

Resources: Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

Retained Earnings: The proprietary fund equivalent of accumulated equity. Working capital (current assets, less current liabilities) can be used to finance budgetary expenditures for proprietary funds (Internal Service and Enterprise Funds).

Revenues: The historical and estimated yield of taxes and other sources of income that a governmental unit collects and receives for public use.

Special Revenue Funds: This fund type is used to account for the proceeds of specific revenue sources (other than trusts or capital funds) that are legally restricted to expenditures for specific purposes.

Subventions: Revenues collected by the State (or other level of government), which are allocated to the City on a formula basis. The major subventions received by the City of Sonoma from the State of California include motor vehicle in-lieu and gasoline taxes.

Successor Agency: An agency that is authorized by law to accept and maintain the legal title, custody, and dominion of records that were created by the former redevelopment agencies. All redevelopment agencies were eliminated by the State of California in 2011.

Tax Allocation Bonds (TAB): Debt issued by the former redevelopment agency to pay an obligation incurred by the Agency under an owner participation agreement.

Taxes: Compulsory charges levied by government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does this term include charges for services rendered only to those playing such charges.

Transfers In/Out: Amounts transferred from one fund to another fund to assist in financing the services for the recipient fund.

Unfunded Accrued Liability (UAL): The excess of the Actuarial Accrued Liability (AAL) over the Actuarial Value of Assets (AVA). The UAL can derive from three sources: unfunded past Normal costs, actuarial gains, and losses (differences between actuarial assumptions and actual experience), and changes to the level of benefits promised.

User Charges/Fees: The payment of a fee for direct receipt of a public service by the party that benefits from the service.

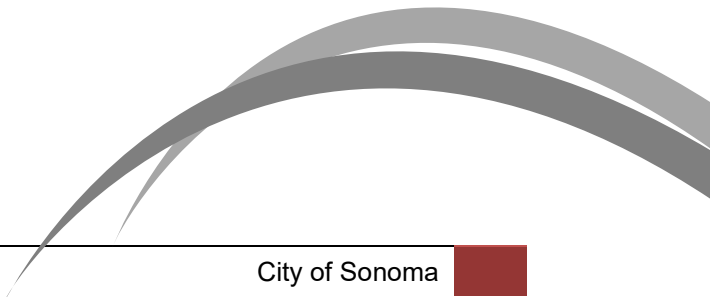
Working Capital: Current assets, less current liabilities.

Year to Date (YTD): Total expenses incurred since the beginning of the current fiscal year to a specific date (example: October YTD refers to expenses incurred from July 1st to October 31st).

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APPROPRIATIONS (GANN) LIMIT



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APPROPRIATIONS (GANN) LIMIT

Propositions 4, also known as the Gann initiative, was approved by California voters in 1979 and was revised by Proposition 111 in 1990. These propositions, now Article XIII B of the California Constitution, require public agencies to adopt an annual appropriations limit. Appropriations that are subject to this limit (generally, appropriations from proceeds of taxes) may not, with certain exceptions, exceed the appropriations limit.

The appropriations limit is based on a city's actual appropriations in FY 1978-79, adjusted in each subsequent year by a population factor and cost of living factor. The population factor is the greater percentage change of the city population or the county population. The State of California Department of Finance provides this data on an annual basis.

For purposes of the cost of living factor, Proposition 111 added to Article XIII B: "Change in the cost of living for an entity of local government, other than a school district or a community college district, shall be either (A) the percentage change in California per capita personal income from the preceding year, OR (B) the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local non-residential new construction, whichever is greater." The local assessment roll is the assessed valuation of the jurisdiction.

The change in the appropriations limit is calculated annually by staff from the information provided by the State of California Department of Finance and the percentage change in assessed valuation due to non-residential new construction provided by HdL, the City's Property Tax consultant. After the annual appropriations limit is calculated, the appropriations that are subject to the limit are determined. The appropriations limit only applies to appropriations that are funded from proceeds of taxes.

The Fiscal Year 2024-25 appropriations limit was calculated using the Statewide Per Capita Person Income increase of 3.62 percent and the County-wide population decrease of -0.27 percent. The formula uses a combined adjustment of these two factors which results in the prior year appropriations limit being increased by 3.08 percent.

Using this percentage, the City of Sonoma's appropriations limit increased \$815,163 to \$28,486,332. Appropriations that are subject to the limit are \$18,385,432; the City is well under the appropriation limit by \$10,100,900. Details of the computations are presented in the following resolution.

City of Sonoma

RESOLUTION # 52 - 2024

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA REESTABLISHING
THE APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2023-24 AND
ESTABLISHING THE APPROPRIATIONS LIMIT 2024-25**

WHEREAS, Article XIII B of the California Constitution provides that the total annual Appropriations Subject to Limit of each governmental entity, including this city, shall not exceed the Appropriations Limit of such entity of government, as determined by adjusting the prior fiscal year Appropriations Limit by the greater of the changes in city or county population, combined with the greater of the change in California per capita personal income or the change in the local assessment roll due to the addition of local non-residential construction; and

WHEREAS, pursuant to said Article XIII B of said California Constitution and Section 7900 et seq., of the California Government Code, the City is required to set its Appropriations Limit annually; and

WHEREAS, the City Manager of the City of Sonoma has interpreted the technical provisions of said Article XIII B computations and has caused the numbers upon which the City's Appropriation limit is based to be calculated; and

WHEREAS, the Fiscal Year 2023-24 Appropriations Limit has been re-calculated using the following:

- The State of California per capital personal income increase determined by the California Department of Finance for the calendar year 2023, 4.44%; and
- The County of Sonoma population decrease for the calendar year 2024 as determined by the California Department of Finance, -0.53%.

WHEREAS, the Fiscal Year 2024-25 Appropriations Limit is calculated using the following:

- The State of California per capital personal income increase determined by the California Department of Finance for the calendar year 2024, 3.62%; and
- The County of Sonoma population decrease for the calendar year 2023 as determined by the California Department of Finance, -0.27%.


NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sonoma that:

1. The annual adjustment factors used to re-calculate the Fiscal Year 2023-24 Appropriations Limit shall be the change in the State of California per capital personal income increase of 4.44% and the County of Sonoma population decrease of -0.53%.
2. The recalculated Appropriations Limit for Fiscal Year 2023-24 shall be and is hereby set in the amount of \$27,635,169.


3. The Fiscal Year 2023-24 Adopted Budget appropriations subject to the Appropriations Limit remains unchanged \$18,407,302.
4. The annual adjustment factors used to calculate the Fiscal Year 2024-25 Appropriations Limit shall be the change in the State of California per capital personal income increase of 3.62% and the County of Sonoma population decrease of -0.27%.
5. The new Appropriations Limit for Fiscal Year 2024-25 shall be and is hereby set in the amount of \$28,486,332.
6. The Fiscal Year 2024-25 Adopted Budget appropriations subject to the Appropriations Limit is \$18,385,432.

PASSED, APPROVED, AND ADOPTED, at a Regular Council Meeting of the City Council of the City of Sonoma on this 17th day of July 2024, by the following vote:

AYES: FARRAR-RIVAS, WELLANDER, DING, LOWE, GURNEY
NOES:
ABSENT:
ABSTAIN:



John Gurney, Mayor



Rebekah Barr, MMC, City Clerk

ATTEST:

APPROPRIATION LIMIT WORKSHEET

For the Year Ending June 30, 2025

Calculation of Spending Limit

	Percent Change		Amount
Appropriations limit for fiscal year ended June 30, 2024			\$27,635,169
Adjustment factors:			
Inflation Factor	1.0362		
Population Factor	0.9973		
Combined Factor		x	1.0308
Appropriations limit for fiscal year ending June 30, 2025			28,486,332

Appropriations in Fiscal Year 2024-25 Compared to Limit

Proceeds from Taxes		19,129,391
Less Exclusions (Fed Mandates, Qualified Capital Outlay and Debt Service):		(743,959)
FY 2024-25 Appropriations Subject to Limit		\$18,385,432
FY 2024-25 Appropriations Limit		\$28,486,332
Under/(Over) Fiscal Year 2024-25 Appropriations Limit		\$10,100,900

Proposition 4 establishes a formula limiting expenditures to the "proceeds of taxes" and is adjusted each year for inflation and population growth.

April 30, 2024

Dear Fiscal Officer:

Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2024, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2024-25. Attachment A provides the change in California's per capita personal income and an example for utilizing the factors to calculate the 2024-25 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. [California Revenue and Taxation Code section 2228](#) provides additional information regarding the appropriations limit. [Article XIII B, section 9\(C\) of the California Constitution](#) exempts certain special districts from the appropriations limit calculation mandate. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2024.** Please note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

/s Richard Gillihan

RICHARD GILLIHAN
Chief Operating Officer

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2024-25 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2024-25	3.62

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2024-25 appropriation limit.

2024-25:

Per Capita Cost of Living Change = 3.62 percent
Population Change = 0.17 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.62 + 100}{100} = 1.0362$

Population converted to a ratio: $\frac{0.17 + 100}{100} = 1.0017$

Calculation of factor for FY 2024-25: $1.0362 \times 1.0017 = 1.0379$

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	23-24	1-1-23	1-1-24	1-1-24
Sonoma				
Cloverdale	-1.11	8,808	8,710	8,710
Cotati	-1.06	7,381	7,303	7,303
Healdsburg	-0.32	11,020	10,985	10,985
Petaluma	-0.02	58,457	58,445	58,445
Rohnert Park	-0.04	43,838	43,821	43,821
Santa Rosa	-0.07	175,013	174,890	174,890
Sebastopol	-0.96	7,366	7,295	7,295
Sonoma	-0.98	10,636	10,532	10,532
Windsor	-0.91	25,628	25,394	25,394
Unincorporated	-0.40	130,333	129,812	130,777
County Total	-0.27	478,480	477,187	478,152

**THE CITY OF SONOMA
NONRESIDENTIAL NEW CONSTRUCTION**

2022/23 TO 2023/24 TAX YEARS - IN PARCEL NUMBER ORDER

Parcel	Use Category	Owner	Prior Year Improvements	Current Year Improvements	Percent Change
018-162-020-000	Commercial	Swiss Hotel Inc	112,169	114,712	+ 2.3%
018-182-014-000	Industrial	Foley Family Wines Inc	4,947,849	6,949,721	+ 40.5%
018-202-077-000	Commercial	E D I Associates Lp	2,524,320	2,606,693	+ 3.3%
018-213-001-000	Commercial	Wilson Robert And Erica Jo	315,895	340,062	+ 7.7%
018-222-017-000	Recreational	Sonoma Community Center Inc	321,764	335,865	+ 4.4%
018-241-057-000	Commercial	Exchange Bank	1,119,649	1,174,039	+ 4.9%
018-251-050-000	Commercial	Northwest Dealerco Holdings Llc	115,944	124,644	+ 7.5%
018-251-059-000	Commercial	S And N Company Sonoma Limited	2,333,316	2,405,992	+ 3.1%
018-840-017-000	Commercial	Halby Thomas M And Halby Pamellia	600,000	650,190	+ 8.4%
128-091-008-000	Commercial	Map Assetco Llc	32,435,028	33,588,559	+ 3.6%
10 Parcels Listed			44,825,934	48,290,477	+ 7.7%

This calculation reflects the 2023/24 increase in taxable values for this city due to non-residential new construction as a percentage of the total taxable value **Increase** (as of the 2023/24 lien year roll date). This percentage may be used as an alternative to the change in California per-capita personal income for calculating a taxing agency's annual adjustment of its Appropriation Limit pursuant to Article XIII B of the State Constitution as Amended by Proposition 111 in June, 1990.

Total Change in Non-Residential Valuation Due to New Development	3,464,543
Less Automatic 2.000% Assessors's Inflation Adjustment	-896,519
<u>Actual Change in Non-Residential Valuation</u>	<u>2,568,024</u>
Change in Total Assessed Value	202,432,043
= Alternate 2024/25 Appropriations Limit Factor	1.27%

FISCAL YEAR 2024-25

BUDGET RESOLUTIONS

Operating Budget Resolution
Capital Improvement Program Resolution
Contract Authorization Resolution
Operational Budget Carryforward
Community Service and Recreation Discretionary
Funding Program

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City of Sonoma

RESOLUTION # 42-2024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA AND THE SUCCESSOR AGENCY OF THE FORMER SONOMA COMMUNITY DEVELOPMENT AGENCY ADOPTING THE FISCAL YEAR 2024-25 CITY OF SONOMA OPERATING BUDGET; APPROVING COMMUNITY FUND PROGRAMMING; AND AUTHORIZING THE CITY MANAGER, OR THEIR DESIGNEE, TO EXECUTE TASK ORDERS FOR CITY ENGINEERING SERVICES WITH CIP CONSULTANTS

WHEREAS, the City Manager presented on May 30, 2024 to City Council, the proposed budget for fiscal year (FY) 2024-25, including estimated revenues and recommended appropriations for operations and capital; and

WHEREAS, the City Council of the City of Sonoma has held duly noticed special meetings to review, and provide opportunity for and receive public comments, regarding the proposed FY 2024-25 budget, including appropriations for authorized positions by department; and

WHEREAS, the City Manager's Budget Message provides an executive summary of the proposed budget.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sonoma hereby:

1. Approves the total Operating Budget of \$47,219,734 submitted by the City Manager as set forth in Exhibit A which is attached hereto and by this reference made a part hereof is hereby adopted as the total operating budget of the City of Sonoma for FY 2024-25.
2. Allocates an amount equal to one-quarter of the one percent of the budgeted general fund expenditures, not to exceed \$25,000, to the Public Art Fund for FY 2024-25 in compliance with Ordinance No. 04-2009; provided that the City Council maintains discretion to waive or reduce this annual allocation if the City's financial situation does not allow for the funding to be set aside, which the Council may do by budget adjustment via resolution under the terms of Ordinance No. 04-2009.
3. Finds that the proposed budget provides funding for the City's non-profit recreation partners in the Community Activities budget in Attachment A.
4. Authorizes the City Manager, or designee, to execute task orders for City Engineering Services with GHD, Inc. and any future selected contract engineering firms, consistent with the FY 2024-25 Operating and Capital Budget for the City of Sonoma.

PASSED, RESOLVED, AND ADOPTED, at a Regular Meeting of the City Council of the City of Sonoma, on this 19th day of June 2024, by the following vote:

AYES: DING, FARRAR-RIVAS, WELLANDER, GURNEY

NOES:

ABSTAIN:

ABSENT: LOWE



 John Gurney, Mayor

ATTEST:


 Rebekah Barr, MMC, City Clerk

**CITY OF SONOMA / SUCCESSOR AGENCY
OPERATING, CAPITAL PROJECTS,
ENTERPRISE, SPECIAL REVENUE, INTERNAL SERVICE, DEBT SERVICE AND AGENCY FUNDS
FY 2024-25 ALL FUNDS EXPENSE**

Expenditure Category	FY 24-25 Budget	Expenditure Category	FY 24-25 Budget
GENERAL FUND:		SPECIAL REVENUE FUNDS:	
City Council (41001)	\$ 175,144	Public, Educational & Govt PEG (202)	\$ 59,061
City Clerk (41002)	\$ 439,186	C.O.P.S. Grant (217)	\$ 100,000
City Manager (41003)	\$ 1,409,847	Gas Tax (302)	\$ 1,080,940
Finance (41004)	\$ 686,037	SB-1 Road Maintenance (303)	\$ 992,000
Legal Services (41005)	\$ 272,584	Fire Services Measure H (312)	\$ 548,700
Police (42101)	\$ 7,595,839	Transportation Measure M (313)	\$ 287,000
Fire/EMS (42201)	\$ 7,936,241	Parks-in-Lieu/Quimby Act (314)	\$ 142,921
Public Works Admin (43020)	\$ 655,793	Parks Measure M (315)	\$ 35,000
Public Works Streets (43022)	\$ 1,180,173	Parks-Proposition 68 (316)	\$ -
Public Works Parks (43023)	\$ 1,651,256	EMS Equipment Replacement (521)	\$ -
Planning (43030)	\$ 1,288,154	Grants Restricted (630)	\$ 360,000
Building (43040)	\$ 941,768	Pool Scholarship (715)	\$ 25,000
Community Activities (43101)	\$ 979,429	Housing Trust Fund (732)	\$ -
Successor Agency (43199)	\$ 174,568	Intergovernmental Transfer IGT (796)	\$ 519,613
Non-Departmental (43200)	\$ 922,875	SVFRA (798)	\$ -
Emergency Response (43201)	\$ -	Cemetery Endowment (504)	\$ 50,000
Subtotal General Fund	\$ 26,308,892	INTERNAL SERVICE FUNDS:	
General Fund Transfer Out (43999)	\$ 809,716	Management Information Systems (601)	\$ 608,159
Total General Fund	\$ 27,118,608	Vehicle Replacement (603)	\$ 649,339
CAPITAL PROJECTS:		Long Term Building Maintenance (610)	\$ 35,000
Streets/Transp/Drainage Capital Projs (301)	\$ 310,000	DEBT SERVICE FUNDS:	
Parks & Facilities Capital Projects (304)	\$ 70,000	CREBS (495)	\$ -
Water Utility - Capital Projects (512)	\$ 950,000	POB (498)	\$ -
ENTERPRISE FUNDS:		AGENCY FUNDS:	
Cemetery (501)	\$ 637,126	Successor Agency RPPTF-ROPS (391)	\$ 2,591,338
Water Utility Operating (510)	\$ 10,049,930	TOTAL OPERATING & CAPITAL PROJECTS:	\$ 47,219,734

City of Sonoma

RESOLUTION # 43-2024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA ADOPTING THE 2024-29 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM; AND AUTHORIZING CAPITAL PROJECT FUNDS APPROPRIATED AND UNSPENT IN FISCAL YEAR 2023-24 TO BE ROLLED INTO THE FISCAL YEAR 2024-25 BUDGET

WHEREAS, City staff has prepared a Capital Improvement Program, designed to serve as both a financial and project planning document; and

WHEREAS, on May 30, 2024, the proposed budget was presented for fiscal year 2024-25, including estimated revenues and recommended appropriations for operations and capital; and

WHEREAS, on May 30, 2024, the City Council held a duly noticed special meeting to review, and provide opportunity for and receive public comments, regarding the proposed fiscal year 2024-25 budget, including appropriations for authorized positions by department; and

WHEREAS, the City Council also desires to accommodate a process for the carryover of unspent FY 2023-24 capital project funds where work and expenditures will continue in the FY 2024-25;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sonoma hereby:

1. Adopts the City of Sonoma 2024-29 Five-year Capital Improvement Program as summarized in the attached Exhibit A and incorporated into the FY 2024-25 Operating and Capital Budget for the City of Sonoma.
2. The Capital Project Funds Appropriated and Unspent in FY 2023-24 will be rolled into the FY 2024-25 Capital Improvement Plan Budget.


PASSED, RESOLVED AND ADOPTED, at a Regular Meeting of the City Council of the City of Sonoma, on this 19th day of June 2024, by the following vote:

AYES: DING, FARRAR-RIVAS, WELLANDER, GURNEY

NOES:

ABSTAIN:

ABSENT: LOWE



John Gurney, Mayor

ATTEST:



Rebekah Barr, MMC, City Clerk

Capital Improvement Program Projected Funding by Project for Fiscal Years 2024-29

CIP #	Project Name	FY 2024-25 Request	FY 2025-26 Request	FY 2026-27 Request	FY 2027-28 Request	FY 2028-29 Request	5-Year Total
BUILDINGS & FACILITIES: Maintaining Critical Assets							
BF-2	Public Works Safety and Facility Security at Corporation Yard	\$0	\$70,000	\$0	\$75,000	\$0	\$145,000
BF-4	City Hall Emergency Power	\$0	\$50,000	\$0	\$0	\$0	\$50,000
BF-6	Carnegie Building Repairs and Maintenance Upgrades Project	\$0	\$0	\$125,000	\$0	\$0	\$125,000
	SUBTOTAL	\$0	\$120,000	\$125,000	\$75,000	\$0	\$320,000
CREEKS & DRAINAGE: Reducing Flooding and Protecting Water Quality							
CD-1	Storm Water Trash Reduction Systems	\$0	\$100,000	\$0	\$0	\$0	\$100,000
CD-3	Broadway & Leveroni Road Flood Reduction & Trash Capture Project	\$60,000	\$300,000	\$0	\$0	\$0	\$360,000
CD-7	Storm Drain System Condition Rating	\$50,000	\$100,000	\$0	\$0	\$0	\$150,000
	SUBTOTAL	\$110,000	\$500,000	\$0	\$0	\$0	\$610,000
PARKS: Making Life Better							
P-3	Montini Preserve Fire Enhancement Project	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
P-8	Olsen Park Improvement Project	\$250,166	\$0	\$0	\$0	\$0	\$250,166
P-12	Sonoma Oaks Enhancements Project	\$92,000	\$350,000	\$0	\$0	\$0	\$442,000
P-13	Fifth St West Park	\$0	\$300,000	\$0	\$0	\$0	\$300,000
P-14	Sonoma Overlook Trail HCF Grant Project	\$5,000	\$0	\$0	\$0	\$0	\$5,000
	SUBTOTAL	\$382,166	\$685,000	\$35,000	\$35,000	\$35,000	\$1,372,166
TRANSPORTATION: Keeping Sonoma Moving Safely							
T-3	Biennial Slurry Seal Projects	\$350,000	\$0	\$250,000	\$0	\$250,000	\$850,000
T-4	Citywide Sidewalk Inspection and Repair Program	\$0	\$50,000	\$60,000	\$60,000	\$60,000	\$230,000
T-5	Ongoing Pavement Rehabilitation and Water Services Replacement Projects	\$1,915,000	\$0	\$500,000	\$250,000	\$250,000	\$2,915,000
T-6	Citywide Roadway Safety Improvement Projects	\$200,000	\$100,000	\$0	\$0	\$0	\$300,000
T-7	Broadway (SR 12) Streetscape Enhancement	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000
	SUBTOTAL	\$2,465,000	\$150,000	\$860,000	\$960,000	\$610,000	\$4,445,000
WATER: Providing High Quality, Dependable Water							
W-4	Replacement of Water Services with Pavement Rehab Projects	\$650,000	\$0	\$0	\$0	\$0	\$650,000
W-8	Urban Water Management Plan and Minor Water Master Plan Update	\$0	\$25,000	\$0	\$0	\$0	\$25,000
W-10	Water Meter System Upgrades (AMI)	\$300,000	\$0	\$0	\$0	\$0	\$300,000
	SUBTOTAL	\$950,000	\$25,000	\$0	\$0	\$0	\$975,000
	FUND TOTAL	\$3,907,166	\$1,480,000	\$1,020,000	\$470,000	\$645,000	\$7,522,166

City of Sonoma

RESOLUTION # 44 -2024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA AUTHORIZING THE CITY MANAGER TO EXECUTE OR AMEND CONTRACTS WITH VARIOUS SERVICE PROVIDERS WITHIN AREAS SUCH AS ECONOMIC DEVELOPMENT, RECREATION & COMMUNITY SERVICES, PUBLIC WORKS & TRANSPORTATION, EMERGENCY PREPAREDNESS & HOMELESS SUPPORT, GENERAL OPERATIONS/SERVICES FOR THE FISCAL YEAR 24/25

WHEREAS, the City Manager submitted a 5-year General Fund Forecast, and recommended an operating and capital budget; and

WHEREAS, the City Manager's Budget Message provides an executive summary of the proposed FY 24/25 budget; and

WHEREAS, the City Council of the City of Sonoma has reviewed the proposed final Operating Budget for FY 24/25 and Capital Improvement Program for FY 24/25 and has held a public meeting prior to adoption of the final budget; and

WHEREAS, the City Council has approved funding for FY 24/25 in the approved budget that require either new contract or contract amendments with various service providers for services to be offered starting July 1, 2024.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sonoma that the City Manager is authorized to execute contracts or contract amendments with all vendors on the same or substantially the same terms and conditions to extend the existing contracts as outlined in Exhibit "A".

PASSED, RESOLVED AND ADOPTED, at a Regular Meeting of the City Council of the City of Sonoma, on this 19th day of June 2024, by the following vote:

AYES: DING, FARRAR-RIVAS, WELLANDER, GURNEY

NOES:

ABSTAIN:

ABSENT: LOWE



John Gurney, Mayor

ATTEST:



Rebekah Barr, MMC, City Clerk

NEW AGREEMENTS AND/OR AGREEMENT AMENDMENTS

VENDOR/ORGANIZATION	FY24-25 AMOUNT	ACTION
ECONOMIC DEVELOPMENT		
<u>Sonoma Valley Visitors Bureau</u> Building lease to use a portion of Carnegie Library for visitor services and offices. Agreement for operations of the downtown Visitors Center operations and information services.	\$1 \$100,000	1-Year Agreement 3-Year Agreement
<u>Sonoma Valley Chamber of Commerce</u> Provides economic and business development services.	\$125,000	3-Year Agreement
RECREATION & COMMUNITY SERVICES		
<u>Boys & Girls Club of Sonoma Valley</u> Provides core recreation and community services to youth and teens, including after-school education, enrichment activities, athletic programs, prevention programs, etc. Emergency support, if needed, in terms of programming and facility use.	\$60,500	3-Year Agreement
<u>Sonoma Community Center</u> Provides arts, cultural, and community service activities, including operations of the historic facility, which serves as a cultural, theater, and community center. Provide emergency support, if needed, in terms of Emergency Volunteer Center and facility use. Provides management of the City's emergency volunteers, including emergency training, dual language programs, and quarterly newsletters to volunteers.	\$60,500 \$15,000	3-Year Agreement 1-Year Agreement
<u>Sonoma Ecology Center</u> Provides public access, maintenance, and programming for the Sonoma Garden Park, including educational programs for adults and youth, and support the City's environmental initiatives.	\$27,500	3-Year Agreement
<u>Vintage House</u> Provides core recreation and community services to seniors; operates a senior center; provides enrichment, education, recreation, and exercise programs for seniors, etc. Emergency support, if needed, in terms of public information to seniors and facility use.	\$44,000	3-Year Agreement
<u>Sonoma Valley Field of Dreams</u> Provides maintenance and programming of baseball, softball, and soccer fields for youth and adults.	\$27,500	1-Year Agreement
<u>Sonoma Valley Health & Recreation Association</u> Provide funding for scholarships for youth and senior swimming programs.	\$25,000	3-Year Agreement: (FY2022-2025)
PUBLIC WORKS & TRANSPORTATION		
<u>Sonoma Ecology Center</u> Provides maintenance and management services - Montini Preserve/Sonoma Overlook Trail.	\$21,269	1-Year Agreement
<u>Sonoma Ecology Center</u> Provides maintenance and management services- Nathanson Oxbow and Demonstration Garden.	\$17,589	1-Year Agreement
<u>Sonoma County Transportation Authority</u> Fare Free Bus Program for Sonoma/Sonoma Valley Local Route 32, the "Sonoma Shuttle" in partnership with Sonoma County.	\$17,500	1-Year Agreement
EMERGENCY PREPAREDNESS & HOMELESSNESS SUPPORT		
<u>HomeFirst</u> Provides By-Names-List Project Management Services Measure O Grant	\$59,620	1-Year Agreement
<u>Sonoma Overnight Support</u> Provides food distribution services for individuals experiencing homelessness in Sonoma Valley.	\$50,000	1-Year Agreement
<u>Homeless Action Sonoma</u> Provides case management services Provides Shelter (Day) services	\$100,000 \$50,000	1-Year Agreement 1-Year Agreement

<u>Two Lynchpin Road</u> Provides general emergency preparedness planning and training; Coordination of City's emergency planning.	\$24,000	1-Year Agreement
GENERAL OPERATIONS & SERVICES		
<u>Sonoma Valley Community Communications</u> Provides taping and recording of Council and Commission meetings and other special workshops /meetings.	\$73,000	3-Year Agreement
<u>Robert Smith</u> Provides code enforcement and City Prosecutor services for vacation rental hearings.	\$60,000	1-Year Agreement
<u>Richardson & Co.</u> Provides annual financial statement audit services.	\$49,320	1-Year Agreement

City of Sonoma

RESOLUTION # 45 -2024

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA
AUTHORIZING THE CITY MANAGER TO APPROVE THE CARRYFORWARD
OPERATIONAL FUNDS FOR ONE-TIME PROJECTS APPROPRIATED AND UNSPENT IN
FISCAL YEAR 2023-24 TO BE ROLLED INTO THE FISCAL YEAR 2024-25 BUDGET**

WHEREAS, the City Manager submitted a 5-year General Fund Forecast and recommended an operating and capital budget; and

WHEREAS, the City Manager's Budget Message provides an executive summary of the proposed FY 24/25 budget; and

WHEREAS, the City Council of the City of Sonoma has reviewed the proposed final Operating Budget for FY 24/25 and Capital Improvement Program for FY 24/25 and has held a public meeting prior to adoption of the final budget; and

WHEREAS, the City Council also desires to accommodate a process for the carryover of unspent FY 23/24 one time operational project funds where work and expenditures will continue in FY 24/25;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sonoma that the City Manager is authorized to approve the carryforward operational funds for one-time projects appropriated and unspent in FY 23/24 where work and expenditures will continue in FY 24/25 outlined in Exhibit "A".

PASSED, RESOLVED AND ADOPTED, at a Regular Meeting of the City Council of the City of Sonoma, on this 19th day of June 2024, by the following vote:

AYES: DING, FARRAR-RIVAS, WELLANDER, GURNEY

NOES:

ABSTAIN:

ABSENT: LOWE



John Gurney, Mayor

ATTEST:



Rebekah Barr, MMC, City Clerk

City of Sonoma

RESOLUTION # 46 -2024

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA
AUTHORIZING THE CITY MANAGER TO FUND RECREATION AND COMMUNITY SERVICE
DISCRETIONARY FUNDING PROGRAM**

WHEREAS, the City of Sonoma does not have Parks, Recreation and Community Services Department as the City is a small town with a very limited budget; and

WHEREAS, traditional "Recreational and Community Service Programs" for the City of Sonoma have been provided by outside non-profit organizations that fill the community's need for these important programs; and

WHEREAS, utilizing the talents, skills, networks, and resources already available in the community, the City has supported recreational and community services programs through grant funding for the past 20 plus years; and

WHEREAS, this approach has proven to be a cost effective, efficient, and flexible way to meet the changing needs of the community; and

WHEREAS, on March 5, 2018, the City Council approved new funding and policy guidelines for the City's "Recreation and Community Services Program" and entered into three-year contracts with four core recreation providers (Sonoma Community Center, Sonoma Ecology Center, Sonoma Valley Boys and Girls Club and Vintage House); and

WHEREAS, on August 3, 2022, Special City Council meeting, the Council approved a revised Recreation and Community Services Program Funding and Policy Guidelines that included criteria for other Community Recreation and Community Service Providers to be added as Core Recreation and Community Services Provider.

WHEREAS, if approved it will provide funding to the 20 Local non-profits throughout the City;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sonoma that the City Manager is authorized to fund Recreation and Community Service Programs for FY 24/25 outlined in Exhibit "A".

PASSED, RESOLVED AND ADOPTED, at a Regular Meeting of the City Council of the City of Sonoma, on this 19th day of June 2024, by the following vote:

AYES: DING, FARRAR-RIVAS, WELLANDER, GURNEY

NOES:

ABSTAIN:

ABSENT: LOWE



John Gurney, Mayor

ATTEST:


Rebekah Barr, MMC, City Clerk

FY 2024/25

Proposed Recreation and Community Service Discretionary Funding Program

Recreation Funding Requests

Sonoma Valley Girls Softball	\$3,000
<i>Sonoma Valley Girls Softball Umpire Fees:</i> Sonoma Valley Girls Softball Association's (SVGSA) mission is to ensure that every girl in the Valley who wants to participate in softball has a safe and fun environment to do so. Our vision is to continue making the league thrive, expanding the events we offer, and bringing the community together through the great game of softball.	167 Individuals Served
Hanna Center	\$3,000
<i>Hanna Center Recreation Scholarships:</i> Hanna's new vision is to open the campus all year, providing Sonoma Valley residents with opportunities to engage in healthy activities that build connection. Funding from the City will be used to remove economic barriers to participation for Sonoma Valley residents. Prices will vary depending on length of the activity and the level of specialization, with \$250 covering a basic summer camp and \$750 covering the cost of participation in travel basketball.	1,000 Individuals Served
Sonoma Valley United Soccer League	\$3,000
<i>Needs-based Scholarships for Recreational Soccer league and Summer Camps:</i> Our needs-based scholarship program for youth soccer players provide recreational soccer league and training camps that serve over 500 Sonoma Valley youth and their families each year, of which approximately 100 families receive needs-based scholarships. Our Board of Directors, Coaches, and support personnel are Sonoma parents who serve voluntarily to make these opportunities available at the lowest possible cost to our community's youth.	99 Individuals Served
Sonoma Youth Lacrosse	\$3,000
<i>Sonoma Youth Lacrosse Equipment and Scholarships:</i> Sonoma Youth Lacrosse is looking to purchase new equipment for boys and girls players ages 5-14. Our equipment is available to players who cannot afford to purchase their own and includes helmets, shoulder/chest protection, elbow pads, gloves, goalie equipment, sticks, balls and much more. We also offer partial and full scholarships to those who need financial assistance with registrations and offer free clinics in the fall for those who want to come and learn how to play lacrosse.	200 Individuals Served
Total Funding for Recreational Programs	\$12,000

Art Education Requests

Sonoma Conservatory of Dance	\$3,000
<i>Scholarships for Sonoma Conservatory of Dance Summer Dance Camp: BECA–Ballet En Cada Alumno—is a free after-school introductory dance program for K-12 students held at El Verano Elementary. Any of these underserved youth who show a desire to continue with ballet after the initial months of the program will be routed to Sonoma Conservatory of Dance for deeper instruction. Grant funds will be used for scholarships to ensure that BECA graduates, and any low-income students, have no financial or cultural barriers to the next level of their dance education.</i>	22 Individuals Served
Valley of the Moon Music Festival	\$3,000
<i>Valley of the Moon Music Festival Free Kids and Family Concert: VMMF presents its 4th Annual Kids & Family Concert, Sunday, July 28, 2024, with acclaimed children’s music specialist Rami Vamos. Demand for VMMF’s children’s program increased from 80 in 2021 to 125 in 2023, with 75% of attendees under age 12, so the concert will move to the larger, more accessible Sebastiani Theatre. This free concert is central to VMMF’s work to remove barriers and help everyone feel welcome to classical music. VMMF works with SVUSD and ViVo to reach the most kids possible.</i>	400 Individuals Served
Sonoma Valley Museum of Art (SVMA)	\$3,000
<i>Family Make-Ins: SVMA Family Make-Ins provide the opportunity for intergenerational audiences to experience museum exhibitions, artmaking & instruction, and cultural performances. Upcoming Make-Ins include: 1) For the Love of Music and Art—From Drumming to SVMA: In addition to artmaking, families will enjoy African drummer Cheza Nami; 2) How My Family Celebrates the Holidays: Magical Moonshine Theatre presents bi-lingual puppet theater; art projects encourage children to show how they celebrate the holidays.</i>	600 Individuals Served
Total Art Education Funding	\$9,000

Community Event Funding Requests

Sonoma Petaluma Parks Association	\$1,000
<i>Children's Day at the Park: Children's Day at the Park is a free event with crafts and activities for kids, including a petting zoo. The old-fashioned crafts made by each person are taken home upon completion. This fun event has been going on for many years, held at Sonoma State Historic Park. The grant funds would be used to purchase materials and supplies for Children's Day.</i>	100 Individuals Served
Jack London Park Partners * Requested \$3,000	\$1,000
<i>Call of the Wild Free Community Day: Support from the City of Sonoma will help offset the cost of the entrance fees that day (\$10/car) allowing community members who might not otherwise get the chance to visit the park the opportunity to spend time in nature having fun with their families. This will remove a barrier for park participation. Our goal is to make the park accessible to all and this free community day will make that happen.</i>	300 Individuals Served

Sonoma Valley Vintners & Growers Fdtn.* Requested \$3,000 City waives fees for the event as part of the Rec and Community Services Policy	\$1,000
<i>Valley of the Moon Vintage Festival:</i> Since 1897, the Vintage Festival has brought the community together to celebrate the annual harvest season in Sonoma Valley. The community building event ties residents of the present to our local traditions of the past. The event allows the Vintners & Growers Foundation to provide scholarships and grants to Sonoma Valley youth, and an opportunity for other non profit organizations to raise funds.	5000 Individuals Served
Sonoma Valley Education Foundation	\$3,000
<i>2024 Red & White Ball:</i> Funding from the City of Sonoma will help underwrite the cost of our annual event, the Red & White Ball. Since 2022, this longstanding event has been reimagined as an inclusive community event to celebrate and raise funds for our public schools. The evening will feature a picnic, live band, and a range of activities and to showcase the amazing things happening at our public schools. Affordable tickets ensure the event is accessible to all students, parents, and teachers, and community members.	2,000 Individuals Served
La Luz Center * Requested \$3,000 the City supports La Luz by waiving the Cinco de Mayo event fees.	\$1,000
<i>Community Baby Shower:</i> Community Baby Shower La Luz is hosting a day of celebration and connection for our expecting and new moms. The event is open to all and families are welcome. Resources, networking, support services as well as, diapers, and baby items such as pop up play pens, formula, and breast pumps will be distributed. In addition, there will be presentations for healthy families, by local agencies and providers. The event takes place from Noon - 4pm in Booker Hall and is open to Sonoma Valley families.	200 Individuals Served
Art Escape Sonoma * Requested \$3,000 the City permit fees for the event are \$435.	\$1,000
<i>Art Escape Community Enrichment Events:</i> We seek support to cover city permit fees, for our second-ever fundraiser to sustain our impactful initiatives. Additionally, we are requesting funds for our two vital community events: Día de los Muertos Celebration and Celebración Navideña/Holiday Craft Fest. These events foster cultural unity and joy, with a growing number of attendees each year. Your support ensures vibrant community experiences, fosters unity, and recognizes the importance of visual arts in enriching our cultural heritage.	465 Individuals Served
Sonoma County Bicycle Coalition* City staff is recommending that the funding is tied to the organization hosting the same event at Sasserini Elementary School for FY 24/25	\$3,000
<i>Safe Routes to School Program: On-Bicycle Education Programming:</i> On-bicycle education services, specifically our 4th Grade Bicycle Skill-Safety Rodeo, to one school (likely Prestwood Elementary) in the city of Sonoma during the 2024-25 school year (date TBD, but either October 2024 or April or May 2025). Students will receive free bicycle repairs, helmet fittings & an opportunity to purchase low-cost (\$5.00, subsidized by SRTS) helmets, and comprehensive on-bike safety/skill training, including learn-to-ride lessons for students in need.	50 Individuals Served

Sonoma Valley Film Society (dba: SIFF)	\$3,000
<p><i>Student Film Showcase at the 28th annual Sonoma International Film Festival:</i> 28th Sonoma International Film Festival is set to run from March 25 - 30, 2025. This renowned SIFF will partner with programs at the Sonoma Valley High School to bring filmmaking and film industry opportunities to the students in a variety of HS program from Media Arts to Culinary. SVHS students create short films during the 2024-25 school year. The films will be screened at the Sebastiani Theatre as part of the annual SIFF. Filmmakers will speak/engage with students. Presented free of charge.</p>	276 Individuals Served
Total Community Event Funding Requests	\$14,000

Community Service Projects

FRIENDS IN SONOMA, HELPING (FISH)	\$3,000
<p><i>Utilities:</i> Friends in Sonoma, Helping's mission over its 50 year history has been to help those in need in Sonoma City and Valley. Through its totally volunteer staff and donations from grantors & individuals, FISH serves the needs of people for food, clothing, medical equipment, rental assistance and utility assistance. FISH requests a grant for utility assistance of \$3,000. Like the other services that FISH provides, it allows FISH clients to stay in their homes.</p>	400 Individuals Served
Sonoma Valley Mentoring Alliance	\$2,328
<p><i>Outdoor Physical & Team Challenge for K-12 Grade Mentees:</i> We will take 24 people to the Challenge Ropes Course on the Sonoma Developmental property. The students and the mentors would spend half a day challenging themselves physically by conquering different obstacles, work on team building and communication skills, and leave with more confidence and self-esteem because of their achievements. By introducing the students to the outdoors and physical activity in a unique environment, we know it will have a positive lasting impact.</p>	24 Individuals Served
Pets Lifeline	\$3,000
<p><i>Pet Food Pantry (PFP):</i> Pet Food Pantry is a critical community service that provides free pet food to low-income families in Sonoma. Since our official PFP opened in March 2020, the need has not slowed. Coupled with inflation and a variety of economic factors, such as the high cost of living, including groceries and rent, the need for free pet food has only increased. Our goal is to keep pets with their families rather than having them surrendered to the shelter. Pets Lifeline purchases the food for distribution.</p>	1400 Individuals Served
Sweetwater Spectrum	\$3,000
<p><i>Sweetwater Spectrum Farm donation to Vintage House Meal Program:</i> Sweetwater Spectrum primarily donates to Vintage House, which supports seniors experiencing food insecurity. The donated produce is nutrient-dense microgreens harvested weekly, we grow year-round in our greenhouse. We also pick edible flowers from the garden to brighten up our salads donated to the meal program. Sweetwater Spectrum donates produce weekly to their meals program. Last year, our weekly program donated approximately 240 pounds of produce. The grant will be used for farming materials.</p>	60 Individuals Served

Sonoma Valley Historical Society Inc* Requested \$3,000 the City is responsible for wayfinding signs on City Property, staff is recommending funding the translation of the signs on the interior of the building.	\$1,500
<i>Sonoma Valley History Museum Wayfinding and Accessibility project:</i> The grant is for enhancing the accessibility of the Sonoma Valley History Museum in two ways. As wayfinding signage it will provide new signs for the renamed Sonoma Valley History Museum building. The funds will be used to translate the verbiage of the new permanent exhibits in the museum creating a more accessible visitor experience by providing Spanish translations for the largest non-English speaking demographic of Sonoma Valley. The Museum is free to enter.	3,000 Individuals Served
Total Community Services Funding Requests	\$12,828

Total Discretionary Funding * Based on Staff recommendations - Providing Funding to the 20 Local non-profits identified above. \$47,828

The projects below have been identified as either Public Works/Plaza Master Plan potential projects or too narrow in scope or the entities have already received funding.

Sonoma Valley Woman's Club Foundation	\$3,000
<i>Plaza Improvement: Shade Structure:</i> The Plaza Improvement Project aims to install shade structures over the West playground area in Sonoma Plaza, mitigating the effects of intense sunlight and soaring temperatures. By providing adequate shade, we aim to create a conducive environment for children's play, reducing the risk of overheating and sunburns.	
Valley of the Moon Garden Club	\$3,000
<i>GreenLinks Plaza Enhancement: Heritage Rose Gardens Preservation and Beautification Project:</i> Our new VOMGC Plaza project, launched in January, aligns with Sonoma City Council's 2024 goals for Parks & Rec. With a dedicated volunteer team & city staff, we're preserving heritage roses, enhancing community engagement, and beautifying the park. To ensure effective visitor management and care for the site, we seek grant support for(1) stepping stones to guide interactions and (2) rose care resources for volunteers (e.g. equip,). ADA accessibility standards will guide us to ensure any paths comply.	
Flowery Elementary School Parent-Teacher	\$3,000
<i>Garden Project:</i> to provide supplies in order to support the Garden at Flowery Elementary School, where kids can learn gardening and about growing vegetables and plants.	
SOS	\$3,000
<i>Home Delivery Meal Program:</i> Our Home Delivery Meal Program delivers meals to homebound individuals who do not have access to a vehicle or are unable to leave their home due to illnesses or frailty. We currently run two delivery routes twice a week that deliver 464 meals per month. We have 8-10 households on our waitlist and will be adding a third delivery route, which will increase our deliveries to 536 meals monthly. This grant will offset the increased cost of food for the additional route.	