

# Enterprise Funds

**Water Utility - Operating**  
**Cemetery - Operating**



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## CITY OF SONOMA

### **Public Works Department** **Water Utility (Fund 510)**

*Colleen Ferguson, Public Works Director/City Engineer*  
*Sue Casey, Assistant City Manager*

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***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 community needs including consumption, irrigation and fire protection. The Water Utility is funded through the Water Enterprise Fund. The City's water sources are the Sonoma County Water Agency (Sonoma Water) Aqueduct and local groundwater wells. The City's water system is a complex array of pumps, pipes, and tanks that distribute water to residences and businesses.

The City operates and maintains 4,505 water service connections/meters, 1,823 valves, 508 fire hydrants, six water tanks, eight wells, two booster pump stations, and 58 miles of underground water main pipes. In 2020, over 600 million gallons of water were delivered to customers. The Water Utility's primary responsibility is to deliver safe and reliable water to City residents and the outside service area, while seeking to improve water supply reliability and water conservation. City water continues to meet all state and federal drinking water standards.

Although most of the City's water is from the Sonoma Water Aqueduct, the City's wells are a critical local water source during emergencies and provide cost-effective water for the community. In 2017, the City joined the Sonoma Valley Groundwater Sustainability Agency (SV GSA). The purpose of the SVGSA is to secure groundwater sustainability for the Sonoma Valley groundwater basin.

#### **FISCAL YEAR(s) 2019 – 2021 ACCOMPLISHMENTS:**

- Operation and maintenance of City water system.
- Implemented extensive precautions to maintain staff and community safety, impacting water operations staff all day, every day, through the long duration of the coronavirus pandemic.
- Staff recommendation to City Council to defer water rate increases for 6 months in response to coronavirus pandemic economic impacts to the City's water customers
- Contracted with waterTALENT for highly qualified interim Water Supervisor and maintenance worker/water operator pending filling vacancies in City's Water Division.
- Completed Urban Water Management Plan, including Water Shortage Contingency Plan.
- Completed America's Water Infrastructure Act Risk and Resilience Assessment.
- Continued water conservation community partnership activities.
- 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*.
- Participated in Sonoma Developmental Center (SDC) plan development and provided input regarding the importance of the SDC surface water supply for water resiliency in Sonoma Valley.



- Joined CalWARN mutual assistance agreement between water agencies.
- Partial use of City's Computerized Maintenance Management System (CMMS) for water system.
- Managed contract for No Discharge Water Main Flushing.
- Supported the Sonoma Valley Groundwater Sustainability Agency (SV GSA) and associated Advisory Committee, in compliance with the Sustainable Groundwater Management Act (SGMA).
- Hired a maintenance worker to fill a vacancy in the Water Division, following an open recruitment process.
- Completed the City's annual leak detection services.
- Recommended updated water rates for FY21-22 and FY22-23, for City Council action.

**FISCAL YEAR 2021 – 2022 GOALS:**

- Hire a qualified Water Supervisor
- Continue successful operation and maintenance of the City's water supply and distribution system.
- 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.
- Complete America's Water Infrastructure Act Emergency Response Plan.
- Comply with all monitoring and reporting requirements.
- Expand use of City's Computerized Maintenance Management System (CMMS) for water system.
- Continue staff support of the SV GSA and Sonoma County Water Agency Water Contractors Technical Advisory Committee.
- Train new Water Division maintenance worker.
- Work on various capital improvement projects to enhance the water system.

**CHALLENGES**

The Water Division has several challenges, including: aging infrastructure, limited staff resources for projects identified by the 2018 Water Master Plan update, well resilience during emergencies, evolving groundwater and water supply regulations, and new staff learning about the City's water system and associated regulations.

**RECOMMENDED FY 21/22 BUDGET**

Salary changes include any cola and or step increases or minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor costs changes. If new positions are proposed, those positions are outlined below. Property and liability insurance costs increased by 34% in FY 21/22, (included in the expenditure category Property Services), and are allocated among City departments and funds based on staffing.

Water Fund -510

Description	FY 18-19 Actuals	FY 19-20 Actuals*	FY 20-21 Adopted Budget	FY 20-21 Amended Budget	FY 20-21 Projected Actuals*	FY 21-22 Budget
Licences & Permits	10,690	2,374	15,000	52,848	52,848	1,000
Charges for Services	65,601	42,665	49,000	49,000	47,758	62,382
Water Sales And Services	4,958,525	5,846,976	5,576,398	5,576,398	5,868,208	6,003,325
Transfers	-	-	-	-	-	-
Other Revenues	8,573	-	-	-	126	-
Interest Revenue	818	1,046	30,000	30,000	30,000	30,000
<b>Total Revenue</b>	<b>5,044,207</b>	<b>5,893,061</b>	<b>5,670,398</b>	<b>5,708,246</b>	<b>5,998,940</b>	<b>6,096,707</b>
Salary & Wages	592,024	519,778	714,039	714,039	548,975	756,494
Employee Benefits	(339,998)	261,363	344,532	344,532	286,322	389,964
Professional Services	138,883	133,325	339,590	339,590	79,940	339,590
Property Services	101,533	164,357	160,468	160,468	407,213	184,530
Operations	231,579	159,389	191,615	191,615	126,723	237,305
Supplies	1,905,736	2,365,439	2,378,719	2,378,719	1,865,981	2,453,543
Software & Equipment	4,752	4,868	9,420	9,420	8,089	15,420
Internal Service & Capital Prj	125,818	98,598	635,934	635,934	635,934	631,336
Transfers Out - CIP	-	-	-	-	-	-
Transfers	615,042	632,923	651,328	651,328	651,328	669,459
Debt Service	47,921	120,727	117,803	117,803	117,802	117,803
<b>Total Expense</b>	<b>3,423,290</b>	<b>4,460,767</b>	<b>5,543,448</b>	<b>5,543,448</b>	<b>4,728,306</b>	<b>5,795,444</b>
Grand Total	1,620,917	1,432,294	126,950	164,798	1,270,634	301,263
<b>Beginning Fund Balance</b>	<b>304,627</b>	<b>1,925,544</b>	<b>3,357,838</b>	<b>3,357,838</b>	<b>3,357,838</b>	<b>4,628,472</b>
<b>Ending Fund Balance</b>	<b>1,925,544</b>	<b>3,357,838</b>	<b>3,484,788</b>	<b>3,522,636</b>	<b>4,628,472</b>	<b>4,929,735</b>
<b>* Unaudited</b>						
**Rate Stabilization Reserve	407,358	532,683			440,744	476,851
***Operating Reserve	581,959	758,330			803,812	985,225
Unassigned	936,226	2,066,824			3,383,916	3,467,658
**11% of annual volumetric charge revenue. Rate Stabilization Reserve will increase 1% annually until it reaches 15% of annual volumetric charge revenue.						
*** Two (2) months of annual expenditures 17%.						





## CITY OF SONOMA

### **Public Works Department** **Cemetery (Fund 501)**

*Colleen Ferguson, Public Works Director/City Engineer*

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The **Cemetery program** is funded by the Cemetery Enterprise Fund. There are three cemeteries, including: Mountain, Veterans, and Valley cemeteries, 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.

In prior 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(s) 2019 – 2021 ACCOMPLISHMENTS:**

- Continued to provide compassionate and respectful customer service to residents during stressful and emotional times.
- Trimmed substantial overgrowth of vegetation and improved sight lines throughout Mountain Cemetery.
- Performed tree maintenance as needed, including removal of three large fallen and/or dead trees in Mountain Cemetery and one in Valley Cemetery.
- Created three new full burial crypts in Mausoleum Five and two full burial plots at the Mountain Cemetery.

#### **FISCAL YEAR 2021 – 2022 GOALS:**

- Work with the City Council Ad-Hoc Committee on cemetery strategy and options for the future.
- Continue to provide compassionate and respectful customer service to residents during stressful and emotional times.
- Create more cremain niches inventory in the Valley and Veterans' cemeteries.
- Conduct a tree hazard assessment in all cemeteries.
- Review City cemetery services fee information.
- Continue fiscally responsible maintenance efforts in all cemeteries.

#### **CHALLENGES:**

The primary challenge for cemeteries is the lack of available space for additional burials. Another challenge is the condition of the City's cemeteries degrade, which results in the need for additional maintenance every year. City staff resources for cemetery maintenance is limited to one maintenance worker, with some assistance by other Public Works staff as needed. All cemeteries are constrained by financial limitations.

## RECOMMENDED FY 21/22 BUDGET

Salary changes include any cola and or step increases or minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor costs changes. If new positions are proposed, those positions are outlined below. Property and liability insurance costs increased by 34% in FY 21/22, (included in the expenditure category Property Services), and are allocated among City departments and funds based on staffing.

Key changes between the FY 20/21 and the FY 21/22 budget are listed and described below.

Transfer in from General Fund for Cemetery Fiscal Analysis	\$30,000
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### 501 - Cemeteries

Description	FY 18-19 Actuals	FY 19-20 Actuals*	FY 20-21 Adopted Budget	FY 20-21 Amended Budget	FY 20-21 Projected Actuals*	FY 21-22 Budget
Licenses & Permits	\$ 92,159.00	\$ 81,320.00	\$ 115,000.00	\$ 115,000.00	\$ 79,987.00	\$ 115,000.00
Charges For Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ 87,980.00	\$ 88,929.00	\$ 89,903.00	\$ 89,903.00	\$ -	\$ 120,900.00
Other Revenues	\$ 133,745.00	\$ 108,926.00	\$ 135,000.00	\$ 135,000.00	\$ 82,517.00	\$ 135,000.00
Interest Revenue	\$ 420.00	\$ -	\$ 450.00	\$ 450.00	\$ -	\$ 450.00
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 314,304.00</b>	<b>\$ 279,175.00</b>	<b>\$ 340,353.00</b>	<b>\$ 340,353.00</b>	<b>\$ 162,504.00</b>	<b>\$ 371,350.00</b>
Salary & Wages	\$ 142,702.00	\$ 141,458.00	\$ 153,352.00	\$ 153,352.00	\$ 144,690.00	\$ 159,474.00
Employee Benefits	\$ 85,672.00	\$ 69,883.00	\$ 79,133.00	\$ 79,133.00	\$ 78,773.50	\$ 80,187.00
Professional Svcs	\$ 28,384.00	\$ 17,535.00	\$ 25,000.00	\$ 25,000.00	\$ 27,251.74	\$ 25,000.00
Property Services	\$ 37,889.00	\$ 49,153.00	\$ 49,186.00	\$ 49,186.00	\$ 24,157.28	\$ 62,476.00
Operations	\$ 4,508.00	\$ 9,041.00	\$ 11,450.00	\$ 11,450.00	\$ 9,784.85	\$ 11,450.00
Supplies	\$ 9,216.00	\$ 5,503.00	\$ 8,500.00	\$ 8,500.00	\$ 5,202.38	\$ 8,500.00
Software & Equip	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal Service & Capital Prj	\$ 42,178.00	\$ -	\$ 9,151.00	\$ 9,151.00	\$ 9,151.00	\$ 7,706.00
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expense</b>	<b>\$ 350,549.00</b>	<b>\$ 292,573.00</b>	<b>\$ 335,772.00</b>	<b>\$ 335,772.00</b>	<b>\$ 299,010.76</b>	<b>\$ 354,793.00</b>
<b>Cemetery Fund Operating Surplus (Deficit):</b>	<b>\$ (36,245.00)</b>	<b>\$ (13,398.00)</b>	<b>\$ 4,581.00</b>	<b>\$ 4,581.00</b>	<b>\$ (136,506.76)</b>	<b>\$ 16,557.00</b>
Depreciation (Non Cash Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,000.00
<b>Cemetery Fund Surplus (Deficit):</b>						<b>\$ (22,443.00)</b>



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