



City of Sebastopol

CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF: October 7, 2025

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To: Honorable Mayor and City Councilmembers
From: Erik Billing – Public Works Operations Supervisor
Toni Bertolero – Public Works Engineering
Ana Kwong – Administrative Services Director
Subject: FY24-25 Quarter 4 Financial Update for Enterprise Funds

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RECOMMENDATION:

Staff recommends the Sebastopol City Council receive this preliminary FY24-25 financial information for the enterprise funds.

EXECUTIVE SUMMARY:

Attached are the preliminary year end of fiscal year 24-25 financial results for the Enterprise Funds (Water and Wastewater). This report on the utility financial positions is released when the City closes it's accounting books for the year end prior to the final audit. As of June 30, 2025, preliminary financial data indicates that both the Water Fund and Wastewater Fund have completed their revenue billing for the fiscal year.

- The Water Fund has finalized its revenue collection, while expenditures have reached 92.6% of the annual total.
- The Wastewater Fund has also completed its revenue billing, with expenses currently at 96% of the yearly total.

Overall, these figures point to financial performance across both utility funds, with revenue targets exceeded the budgeted amount and expenditures progressing under with expected year-end levels. This positions the city's utility operations on solid footing as the fiscal year concludes.

BACKGROUND:

The attached materials provide a comprehensive summary of the financial performance of the City's Water and Wastewater enterprise funds as of the FY24-25 year end.

These enterprise funds have historically faced significant financial strain due to years of underinvestment. However, the implementation of new utility rates effective July 1, 2024 has begun to reverse this trend, contributing to a more stable financial outlook. These funds are responsible for sustaining all aspects of utility service delivery, including operations, maintenance, customer billing and collections, administrative support, financing activities, and debt service obligations.

Revenue generation for both the Water and Wastewater funds has been completed for the fiscal year. The "Preliminary Actual" columns in the financial reports reflect usage-based billing through June 2025. Notably, the City has observed a marked increase in revenue compared to the prior fiscal year, largely attributable to the new rate structure and consumption patterns.

As of the fourth quarter, both the Water and Wastewater Funds are trending slightly below full-year expenditure levels:



City of Sebastopol

- Water Fund expenditures are at 92.6%, reflecting a measured pace of spending. This may be attributed to departmental transitions that temporarily slowed activity in certain categories.
- Wastewater Fund expenditures are at 96%, showing a similar pattern, likely influenced by ongoing adjustments within the department as it acclimates to new leadership and operational priorities.

While both funds are below the 100% threshold, this trend suggests that some planned spending has been deferred or delayed, potentially due to staffing changes or timing shifts in project execution within the Public Works Department.

Importantly, a solid revenue performance paired with moderated expenditures aligns with the City's broader strategy to restore fiscal health to its utility operations. As outlined in recent council communications and staff reports, the rate adjustments implemented in July 2024 were designed to stabilize operating budgets, address deferred infrastructure needs, and begin rebuilding reserve levels for future capital projects needs.

With these improvements, the enterprise funds are now better positioned to support long-term sustainability where planned projects can be implemented. The current financial development reflects a positive shift from prior years marked by underfunding and operational constraints.

STAFF ANALYSIS:

Water:

The Water Fund concluded the fiscal year with stable financial performance, marked by full revenue realization and moderated expenditure management. Total revenues reached \$3,385,395, slightly exceeding the adjusted budget and achieving 100.4% of the projected target. On the expenditure side, actual spending totaled \$2,598,677, coming in at 92.6% of the adjusted budget—indicating cost control and operational efficiency.

Revenue performance was driven by the July 2024 rate adjustments. Residential usage charges led the way at \$1,782,411, outperforming expectations by 5.4%, while commercial usage charges came in just below target at \$1,429,003. Water tower charges contributed \$45,047. Additional revenue sources also performed well: penalties generated \$22,067, achieving 147.1% of the estimate, and miscellaneous income totaled \$45,965, reaching 106.9% of the target. While a few minor categories underperformed such as interest income and new service fee, the overall revenue outlook remains solid and positions the fund favorably for the upcoming fiscal cycle.

On the expenditure side, total operating costs amounted to \$2,598,677, or 92.6% of the adjusted budget. Most categories aligned closely with expectations, including salaries, benefits, supplies, and utilities. Notable variances included underspending in contracted services (55.1%) and capital outlay (0%), suggesting deferred activities due to unexpected transition in the department. Debt service payments exceeded projections (144.8%), due to planned early debt retirement. Despite these variances, spending remained controlled and responsive to operational needs.

	2024-25 Adjusted Budget	Preliminary Actual 6/30/25	\$ Actual from Budget	Actual As % of Budget
Revenues	\$ 3,372,855	\$ 3,385,395	\$ 12,540	100.4%
Expenditures	\$ 2,805,712	\$ 2,598,677	\$ (207,035)	92.6%
Net Results	\$ 567,143	\$ 786,717		



Wastewater:

The Wastewater Fund closed the fiscal year with solid revenue performance, achieving 101.0% of the adjusted budget with total operating revenue reaching \$4,706,698. Overall, the Wastewater Fund’s revenue performance reflects a successful recovery following the rate adjustments implemented in July 2024. Core usage charges—particularly residential—exceeded expectations, and supplemental revenue from penalties and miscellaneous sources provided additional support. While some minor categories underperformed, the fund’s total revenue outcome signals a stable financial position heading into the next fiscal year.

The Wastewater Fund concluded the fiscal year with total operating expenditures of \$4,014,912, representing 96.0% of the adjusted budget. While most core spending categories tracked close to expectations such as subregional cost, the overall expenditure level was slightly below budget, largely due to timing delays and transitional adjustments within the department. The slightly lower-than-budgeted expenditure level reflects a combination of delayed spending and operational adjustments as the department navigated leadership and staffing transitions. Despite some variances, the fund is steadily progressing toward financial recovery and met the essential obligations.

	2024-25 Adjusted Budget	Preliminary Actual 6/30/25	\$ Actual from Budget	Actual As % of Budget
Revenues	\$ 4,659,752	\$ 4,706,698	\$ 46,946	101.0%
Expenditures	\$ 4,183,689	\$ 4,014,912	\$ (168,777)	96.0%
Net Results	\$ 476,063	\$ 691,785		

Alignment of Billing Cycles with Rate Changes

Previously, when rate increases took effect in July, which falls mid-way through the bi-monthly billing cycle, bills included a prorated mix of old and new rates. This often led to confusion, as usage was split between months with different rates and calculated proportionally. For example, a 25,000-gallon usage might be divided between June and July and billed at two separate rates. While accurate, this method was difficult for customers to interpret.

To simplify billing and improve transparency, staff has recalibrated the cycle so that July billing covered only June, and September billing covers July and August, fully aligning with the new fiscal year and rate changes. This approach eliminates the need to display both old and new rates on the same statement moving forward.

Additionally, in response to community requests, the tiered water rate structure is now clearly displayed on billing statements. This enhancement supports transparency and helps residents better understand how their usage impacts charges.

BUDGET COMMITTEE REVIEW

This item has been reviewed by the Budget Committee at its meeting on September 15, 2025.

CITY COUNCIL GOALS/PRIORITIES/AND OR GENERAL PLAN CONSISTENCY:

Goal 5 – Long Term Financial Sustainability

Achieving Greater Fiscal Resilience and Long Term Fiscal Sustainability



City of Sebastopol

Action Plan 2 – Quarterly Financial Report

Enterprise Fund: A quarterly update is an essential tool for monitoring and managing the financial health of an organization. It provides a snapshot of the financial performance over the past three months, allowing City Council to assess progress, identify trends, and make informed decisions.

FISCAL IMPACT:

There is no fiscal impact in receiving this informational financial update.

PUBLIC COMMENT:

As of the writing of this staff report, the City has not received any public comment on this item. However, if staff receives public comment from interested parties following the publication and distribution of this staff report, such comments will be provided to the City Council as supplemental materials before or at the meeting.

COMMUNITY OUTREACH:

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

RESTATED RECOMMENDATION:

Staff recommends the Sebastopol City Council receive this preliminary FY24-25 financial information for the enterprise funds.

OPTIONS:

There are no options to consider.

ATTACHMENTS:

Preliminary Financial Reports
Powerpoint Presentation
How to Read Your Bi-monthly Water Bill
Monitoring Your Own Water Usage – EyeOnWater App Instruction

APPROVALS:

Department Head Approval: Approval Date: 9/8/25

CEQA Determination (Planning): Approval Date: N/A

The proposed action is / is not exempt from the requirements of the California Environmental Quality Act (CEQA)

Administrative Services/Financial Approval: Approval Date: 9/8/25

Costs authorized in City Approved Budget: ☐ Yes ☐ No ☒ N/A

Account Code (f applicable) _____

City Attorney Approval: Approval Date: 9/29/25

City Manager Approval: Approval Date: 9/29/25



WATER OPERATING FUND FY24-25 QUARTER 4 REPORTING

Description	2023-24 Actual	2024-25 Adopted Budget	2024-25 Adjusted Budget	Estimated Year-end Projection	Preliminary Actual 6/30/25	% of Adjusted Budget
OPERATING REVENUE						
Usage Charges - Residential	1,343,048	3,189,700	1,690,541	1,690,500	1,782,411	105.4%
Usage Charges - Commerical	895,366	-0	1,446,659	1,446,700	1,429,003	98.8%
Usage Charges - Water Tower	-0	-0	52,500	52,000	45,047	85.8%
Interest Income	82,780	75,000	75,000	75,000	50,702	67.6%
Construction Hydrant	500	2,160	2,160	-0	-0	0.0%
Backflow Inspections	-0	650	650	-0	-0	0.0%
New Service Fee	8,700	36,600	36,600	10,000	10,200	27.9%
Water Meter Sales	190	8,600	8,600	-0	-0	0.0%
Penalties	21,591	15,000	15,000	20,000	22,067	147.1%
Other Charges	279	2,145	2,145	-0	-0	0.0%
Insurance Claims	515	-0	-0	-0	-0	0.0%
Miscellaneous Income	155,392	43,000	43,000	44,000	45,965	106.9%
TOTAL REVENUE	2,508,362	3,372,855	3,372,855	3,338,200	3,385,395	100.4%
OPERATING EXPENDITURE						
Salaries & Wages	319,666	357,977	374,777	354,870	350,341	93.5%
Benefits	158,712	223,277	223,966	200,870	206,787	92.3%
Contracted Services	338,990	255,820	255,820	261,320	159,241	62.2%
Services & Supplies	161,691	225,550	225,550	228,050	195,954	86.9%
Conference & Training Expense	2,865	5,000	5,000	5,000	4,439	88.8%
Utilities	203,566	254,600	254,600	312,000	235,947	92.7%
Allocated Insurance	90,730	79,530	79,530	79,530	81,510	102.5%
Capital Outlay	-	27,750	27,750	27,750	-	0.0%
Debt Service Payments	380,175	318,656	385,856	385,856	461,365	119.6%
Cost Allocation Plan	1,261,494	852,863	852,863	852,863	852,863	100.0%
Transfers Out	940,341	120,000	120,000	21,530	50,230	41.9%
TOTAL EXPENDITURES	3,858,230	2,721,023	2,805,712	2,729,639	2,598,677	92.6%
Net Surplus/(Deficit)	(1,349,868)	651,832	567,143	608,561	786,717	



Detail - Water Operation Fund - 500
FY24-25 Q4 Expenditures


Description	2023-24 Actual	2024-25 Adopted Budget	2024-25 Adjusted Budget	Estimated Year-end Projection	Preliminary Actual 6/30/25	% of Adjusted Budget
Salaries & Wages						
4010 - Salaries - Full Time	280,059	327,277	334,022	310,380	309,945	-7.2%
4012 - Overtime	21,691	21,000	21,000	23,340	21,733	3.5%
4013 - Standby/Shift	11,165	9,700	11,015	13,500	14,914	35.4%
4090 - Vacancy Savings	-	-	-	-	-	0.0%
4023 - One Time Payment	6,750	-	8,740	7,650	7,650	-12.5%
4990 - PW/Staff Time Project Reimb	-	-	-	-	(3,900)	0.0%
Total Salaries & Wages	319,666	357,977	374,777	354,870	350,341	-6.5%
Benefits						
4101 - Health in Lieu	1,588	-	-	-	-	0.0%
4102 - Uniform Allowance	2,750	3,500	3,500	2,550	2,550	-27.1%
4105 - Medicare & Fica	4,724	4,746	4,746	5,280	5,318	12.0%
4110 - CalPERS Employer Rate	62,681	32,099	32,789	29,000	30,679	-6.4%
4111 - CalPERS UAL Cost	-	60,770	60,770	60,825	60,746	0.0%
4130 - Health Insurance	75,118	106,027	106,027	91,000	94,970	-10.4%
4150 - Dental Insurance	9,258	10,840	10,840	9,375	9,740	-10.1%
4151 - Vision Insurance	980	1,136	1,136	1,050	1,026	-9.7%
4181 - Long Term Disability Insurance	918	2,684	2,684	1,025	999	-62.8%
4182 - Short Term Disability Insurance	364	431	431	395	414	-4.0%
4183 - EAP (Employee Asst Prog)	98	315	315	110	103	-67.2%
4184 - Life Insurance	233	729	729	260	242	-66.8%
Total Benefits	158,712	223,277	223,967	200,870	206,787	-7.7%
Contracted Services						
4210 - Professional Contract Services	326,001	243,320	243,320	243,320	140,875	-42.1%
4211 - Banking Fees	12,989	12,500	12,500	18,000	18,366	46.9%
Total Contracted Services	338,990	255,820	255,820	261,320	159,241	-37.8%
Services & Supplies						
4301 - Bad Debt Expense	13,205	10,000	10,000	2,500	2,110	-78.9%
4310 - Office Supplies	-	1,500	1,500	1,500	-	-100.0%
4330 - Misc Supplies & Services	135,827	180,650	180,650	190,650	171,106	-5.3%
4332 - Janitorial & Safety Supplies	15	1,200	1,200	1,200	-	-100.0%
4361 - Meter Replacement Program	2,516	7,500	7,500	7,500	5,992	-20.1%
4365 - Fire Hydrant Replacement Program	9,445	9,500	9,500	9,500	13,203	39.0%
4366 - Backflow Prevention Program	634	5,200	5,200	5,200	222	-95.7%
4380 - Vehicle Maintenance	48	10,000	10,000	10,000	3,321	-66.8%
Total Services & Supplies	161,691	225,550	225,550	228,050	195,954	-13.1%
Conference & Training Expense						
4510 - Conference & Training	1,327	3,000	3,000	3,000	3,051	1.7%
4515 - Meetings & Travel	1,538	2,000	2,000	2,000	1,388	-30.6%
Total Conference & Training Expense	2,865	5,000	5,000	5,000	4,439	-11.2%
Utilities						
4710 - Utilities - Gas & Electric	197,837	247,250	247,250	305,000	230,402	-6.8%
4750 - Telecommunications	5,729	7,350	7,350	7,000	5,544	-24.6%
Total Utilities	203,566	254,600	254,600	312,000	235,947	-7.3%
Allocated Insurance Others						
4996 - Allocated Liability Insurance	59,559	51,825	51,825	51,825	53,266	2.8%
4997 - Allocated Wrks Comp Insurance	31,171	27,705	27,705	27,705	28,244	1.9%
4998 - Cost Allocation Plan (CAP)	1,261,493	852,863	852,863	852,863	852,863	0.0%
4999 - Transfers Out	940,341	120,000	120,000	21,530	50,230	-58.1%
5100 - Capital Outlay	-	27,750	27,750	27,750	-	-100.0%
Total Allocated Insurance Others	2,292,564	1,080,143	1,080,143	981,673	984,603	-8.8%



Detail - Water Operation Fund - 500

FY24-25 Q4 Expenditures

Description	2023-24 Actual	2024-25 Adopted Budget	2024-25 Adjusted Budget	Estimated Year-end Projection	Preliminary Actual 6/30/25	% of Adjusted Budget
Debt Service						
6100 - Principal	323,576	266,477	333,677	331,001	409,137	22.6%
6200 - Interest	56,599	52,179	52,179	52,227	52,229	0.1%
Total Debt Service	380,175	318,656	385,856	383,228	461,365	19.6%
TOTAL	3,858,228	2,721,023	2,805,713	2,727,011	2,598,677	-7.4%

WASTEWATER OPERATING FUND FY24-25 QUARTER 4 REPORTING 						
Description	2023-24 Actual	2024-25 Adopted Budget	2024-25 Adjusted Budget	Estimated Year-end Projection	Preliminary Actual 6/30/25	% of Adjusted Budget
OPERATING REVENUE						
Service Charge - Residential	2,813,939	4,647,523	2,277,323	2,277,286	2,378,207	104.4%
Service Charge - Commercial	-0	-0	2,370,200	2,370,237	2,295,499	96.8%
Interest Income	20,194	-0	-0	20,000	12,682	0.0%
Penalties	15,153	2,500	2,500	20,000	20,310	812.4%
Insurance Claims	-0	8,729	8,729	-0	-0	0.0%
Miscellaneous Income	32,552	1,000	1,000	-0	-0	0.0%
Transfers In	-0	-0	-0	-0	-0	0.0%
TOTAL REVENUE	2,881,838	4,659,752	4,659,752	4,687,523	4,706,698	101.0%
OPERATING EXPENDITURE						
Salaries & Wages	282,963	306,893	322,383	293,650	296,793	92.1%
Benefits	139,103	194,998	195,644	175,140	178,758	91.4%
Contracted Services	84,665	105,550	105,550	123,925	12,829	12.2%
Subregional Cost	1,952,842	2,118,435	2,118,435	2,118,435	2,118,436	100.0%
Services & Supplies	60,825	118,200	118,200	106,700	97,634	82.6%
Conference & Training Expense	8,458	8,000	8,000	8,000	3,175	39.7%
Utilities	63,567	81,352	81,352	59,400	68,698	84.4%
Allocated Insurance	68,625	55,735	55,735	55,735	57,066	102.4%
Debt Service Payments	181,237	178,656	237,456	237,456	240,039	101.1%
Cost Allocation Plan	1,041,462	908,934	908,934	908,934	908,934	100.0%
Transfers Out	800,532	32,000	32,000	32,606	32,551	101.7%
TOTAL EXPENDITURES	4,684,278	4,108,753	4,183,689	4,119,981	4,014,912	96.0%
Net Surplus/(Deficit)	(1,802,440)	550,999	476,063	567,542	691,785	



Detail - Wastewater Fund 510
FY24-25 Q4 Expenditures

Description	2023-24 Actual	2024-25 Adopted Budget	2024-25 Adjusted Budget	Estimated Year-end Projection	Preliminary Actual 6/30/25	% of Adjusted Budget
OPERATING EXPENDITURE						
Salaries & Wages						
4010 - Salaries - Full Time	253,366	280,793	286,993	264,000	258,159	-10.0%
4012 - Overtime	15,476	16,300	16,300	18,700	19,884	22.0%
4013 - Standby/Shift	8,871	9,800	11,015	10,950	11,850	7.6%
4090 - Vacancy Savings	-	-	-	-	-	0.0%
4023 - One Time Payment	5,250	-	8,075	-	6,900	-14.6%
Total Salaries & Wages	282,963	306,893	322,383	293,650	296,793	-7.9%
Benefits						
4101 - Health in Lieu	2,276	-	-	-	-	0.0%
4102 - Uniform Allowance	2,280	3,050	3,050	2,500	2,300	-24.6%
4105 - Medicare & Fica	4,180	4,071	4,071	4,820	4,544	11.6%
4110 - CalPERS Employer Rate	61,670	28,289	28,934	25,620	26,831	-7.3%
4111 - CalPERS Employer Rate-Unfunded	-	53,400	53,400	54,000	53,360	-0.1%
4130 - Health Insurance	58,703	91,736	91,736	78,000	81,089	-11.6%
4150 - Dental Insurance	7,772	9,373	9,373	7,900	8,315	-11.3%
4151 - Vision Insurance	823	977	977	875	875	-10.4%
4181 - Long Term Disability Insurance	800	2,684	2,684	875	810	-69.8%
4182 - Short Term Disability Insurance	318	374	374	350	340	-9.3%
4183 - EAP (Employee Asst Prog)	83	315	315	100	88	-72.1%
4184 - Life Insurance	197	729	729	100	207	-71.7%
Total Benefits	139,103	194,999	195,644	175,140	178,758	-8.6%
Contracted Services						
4210 - Professional Contract Services	71,676	105,550	105,550	105,550	12,829	-87.8%
4210 - Subregional O&M	1,952,842	2,118,435	2,118,435	2,118,435	2,118,436	0.0%
4211 - Banking Fees	12,989	12,500	12,500	18,375	18,366	46.9%
Total Contracted Services	2,037,507	2,236,485	2,236,485	2,242,360	2,149,631	-3.9%
Bad Debt Expense						
4301 - Bad Debt Expense	19,020	10,000	10,000	4,000	2,486	-75.1%
Total Bad Debt Expense	19,020	10,000	10,000	4,000	2,486	-75.1%
Services & Supplies						
4330 - Misc Supplies & Services	29,942	83,200	83,200	91,200	71,961	-13.5%
4332 - Janitorial & Safety Supplies	29	1,500	1,500	1,500	-	-100.0%
Total Services & Supplies	29,971	84,700	84,700	92,700	71,961	-15.0%
Special Programs						
4360 - Conservation Rebate Program	-	1,000	1,000	-	-	-100.0%
Total Special Programs	-	1,000	1,000	-	-	-100.0%
Vehicle Expense						
4380 - Vehicle Maintenance	11,834	10,000	10,000	10,000	4,822	-51.8%
Total Vehicle Expense	11,834	10,000	10,000	10,000	4,822	-51.8%
Conference & Training Expense						
4510 - Conference & Training	5,628	5,000	5,000	5,000	915	-81.7%
4515 - Meetings & Travel	2,830	3,000	3,000	3,000	2,260	-24.7%
Total Conference & Training Expense	8,458	8,000	8,000	8,000	3,175	-60.3%
Utilities						
4710 - Utilities - Gas & Electric	56,498	66,412	66,412	55,000	64,505	-2.9%
4711 - Utilities - City Bill	5,377	12,440	12,440	3,200	3,080	-75.2%

Detail - Wastewater Fund 510 FY24-25 Q4 Expenditures						
Description	2023-24 Actual	2024-25 Adopted Budget	2024-25 Adjusted Budget	Estimated Year-end Projection	Preliminary Actual 6/30/25	% of Adjusted Budget
Total Utilities	61,875	78,852	78,852	58,200	67,586	-14.3%
Telecommunications						
4750 - Telecommunications	1,692	2,500	2,500	1,200	1,113	-55.5%
Total Telecommunications	1,692	2,500	2,500	1,200	1,113	-55.5%
Allocated Insurance						
4996 - Allocated Liability Insurance	41,232	29,200	29,200	29,200	30,012	2.8%
4997 - Allocated Wrkrs Comp Insurance	27,393	26,535	26,535	26,535	27,053	2.0%
Total Allocated Insurance	68,625	55,735	55,735	55,735	57,066	2.4%
G & A Allocation						
4998 - G & A Allocation	1,041,462	908,934	908,934	908,934	908,934	0.0%
Total G & A Allocation	1,041,462	908,934	908,934	908,934	908,934	0.0%
Transfers Out						
4999 - Transfers Out	800,532	32,000	32,000	32,606	32,551	1.7%
Total Transfers Out	800,532	32,000	32,000	32,606	32,551	1.7%
Capital Outlay						
5100 - Capital Outlay	-	-	-	-	-	0.0%
Total Capital Outlay	-	-	-	-	-	0.0%
Debt Service Payments						
6100 - Principal	153,305	153,089	211,889	216,468	214,370	1.2%
6200 - Interest	27,932	25,567	25,567	25,671	25,668	0.4%
Total Debt Service Payments	181,237	178,656	237,456	242,139	240,039	1.1%
TOTAL	4,684,280	4,108,755	4,183,690	4,124,664	4,014,912	-4.0%



FY 2024-25
4TH QUARTER FINANCIAL
UPDATE
ENTERPRISE FUND

October 7, 2025

FY 2024/25 Q4 Water Fund

	2024-25 Adjusted Budget	Preliminary Actual 6/30/25	\$ Actual from Budget	Actual As % of Budget
Revenues	\$ 3,372,855	\$ 3,385,395	\$ 12,540	100.4%
Expenditures	\$ 2,805,712	\$ 2,598,677	\$ (207,035)	92.6%
Net Results	\$ 567,143	\$ 786,717		

- ✓ The city's water fund has finalized its revenue collection for all 12 months of usage activities and resulted in an overall of 100.4% revenue of budget.
- ✓ Operating expenditures preliminary figure at 92.6%, which is below the expected target for the year end.

FY 2024/25 Q4 Wastewater Fund

	2024-25 Adjusted Budget	Preliminary Actual 6/30/25	\$ Actual from Budget	Actual As % of Budget
Revenues	\$ 4,659,752	\$ 4,706,698	\$ 46,946	101.0%
Expenditures	\$ 4,183,689	\$ 4,014,912	\$ (168,777)	96.0%
Net Results	\$ 476,063	\$ 691,785		

- ✓ The city's sewer fund has collected overall 100% of budgeted revenue.
- ✓ Operating expenditures are at 96%, which is below target for year end.

Helpful Tips

Fiscal Year	Statement Date	Service Period (Reads)	Period Ending
FY24-25	July 2025	* June 2025	6/30/2025
FY25-26	Sept 2025	** July - Aug 2025	8/31/2025
	Nov 2025	Sept - Oct 2025	10/31/2025
	Jan 2026	Nov - Dec 2025	12/31/2025
	Mar 2026	Jan - Feb 2026	2/28/2026
	May 2026	Mar - April 2026	4/30/2026
	July 2026	May-June 2026	6/30/2026

* To prevent overlap with the July 1st water rate increase, a one-time, one-month billing cycle was implemented prior to rate took effect.

** The new rates went into effect on July 1st

- How to read bi-month utility bill weblink: <https://bit.ly/WaterBillEx>
- Monitoring your own water usage with EyeOnWater app instruction weblink: <https://www.cityofsebastopol.gov/wp-content/uploads/2023/08/EOW-instructions-info-FINAL.pdf>

COUNCIL QUESTIONS/DISCUSSIONS

How to Read Your Bi-Monthly Utility Bill

Utility Bill Charges are broken up into three categories: **Service Charge**, **Water Charges**, and **Sewer Charges**. The **Service Charge** is a fixed fee based on meter size. **Water and Sewer charges** depend on how much water was used. The explanation below shows how the charges on the attached sample bi-monthly Utility Bill were calculated.

1. Service Charge

- **Service Charge (5/8" x 3/4" Meter):** This is a fixed fee based on meter size.

Total Service Charge = \$70.39

2. Water Usage

- **Water Usage:** Bill shows customer used a total of 17 kgal (1 kgal = 1,000 gallons).

Water is billed in tiers, with higher rates for higher usage:

- **Tier 1:** First 7 kgal x \$5.22 = \$36.54
- **Tier 2:** Next 9 kgal x \$6.65 = \$59.85
- **Tier 3:** Remaining 1 kgal x \$9.23 = \$9.23

Total Water Charges = \$105.62

3. Sewer Charges

- **Service Charge (5/8" x 3/4" Sewer):** This includes:
 - **Base charge:** \$105.73
 - **Usage charge:** Based on a "winter average" (to account for outdoor irrigation not entering the sewer system). For this bill, the winter average is: **12 kgal x \$17.18 = \$206.16**

Total Sewer Charges = \$311.89

4. Total Bill

- **Service Charge:** \$70.39
- **Water Charges:** \$105.62
- **Sewer Charges:** \$311.89
- **Total Amount Due:** **\$487.90**

Key Takeaways

- **Service charge** is fixed each month based on meter size.
- **Water Charges** are tiered—the more water used, the higher the rate per unit.
- **Sewer Charges** have a **base charge** and use a **winter water average** to estimate household wastewater, so irrigation water isn't billed as sewer.



Account Statement

Agenda Item Number 16

ACCOUNT INFORMATION

ACCOUNT: 00-000
SERVICE ADDRESS: [REDACTED]
SERVICE PERIOD: 7/1/2025 to 8/31/2025 (62 days)
BILLING DATE: 9/9/2025

DUE DATE: 10/9/2025

METER READING

Serial No	Date	Previous Reading	Current Reading	Kgal
[REDACTED]	7/31/2025	194	201	7
	6/30/2025	184	194	10

SPECIAL MESSAGE

New Water & Sewer Rates Effective July 1, 2025 Per City Council Resolution No. 6599-2024, updated rates are now in effect. Details: https://www.cityofsebastopol.gov/wp-content/uploads/2024/06/SebastopolCA_WaterWW_RateStudyReport_06122024_FINAL.pdf ****NEW WINTER AVERAGE CHARGES FOR SEWER USAGE ARE EFFECTIVE JULY 1, 2025.*** For more information about this, see back of bill under SEWER BASE Billing Information.

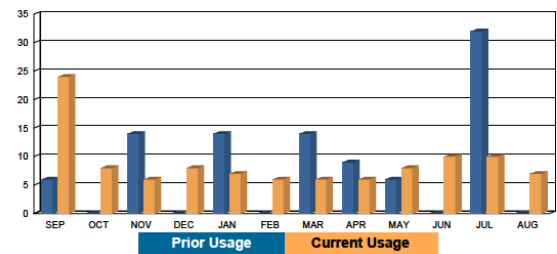
TIER DISPLAY

Code	Tier - Cons - Rate	Amount
CONS-R 1: 7	G @ 5.22	36.54
CONS-R 2: 9	G @ 6.65	59.85
CONS-R 3: 1	G @ 9.23	9.23
01-R	12 G @ 17.18	206.16

CURRENT CHARGES

5/8"x3/4" Meter Service Chg	70.39
Water Usage-SFR	105.62
5/8"x3/4" Sewer Charge	311.89
TOTAL CURRENT CHARGES	487.90

USAGE HISTORY



BILL SUMMARY

Previous Balance	238.33
Payments Received	-238.33
Additional Billing	0.00
Current Charges	487.90
TOTAL AMOUNT DUE	487.90

Payment Coupon

ACCOUNT INFORMATION

PLEASE RETURN THIS PORTION ALONG WITH YOUR PAYMENT
PLEASE MAKE CHECK PAYABLE TO:

CITY OF SEBASTOPOL

ACCOUNT: 00-000
SERVICE ADDRESS: [REDACTED]
SERVICE PERIOD: 7/1/2025 to 8/31/2025 (62 days)
BILLING DATE: 9/9/2025

DUE DATE: 10/9/2025



AMOUNT DUE

TOTAL AMOUNT DUE BY 10/9/2025 487.90

AMOUNT ENCLOSED

REMIT PAYMENT TO:

City of Sebastopol
PO Box 1776
Sebastopol, CA 95473-1776

CITY OF SEBASTOPOL WATER AND WASTEWATER RATES

Five-Year Water Rate Schedule, Fixed Charges, \$/Bi-mo.

Meter Size	Current	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028
5/8"x3/4" & 3/4"	\$49.33	\$67.68	\$70.39	\$73.21	\$75.78	\$78.44
1"	\$82.41	\$111.95	\$116.43	\$121.09	\$125.33	\$129.72
1.5"	\$164.13	\$222.59	\$231.50	\$240.76	\$249.19	\$257.92
2"	\$262.77	\$355.37	\$369.59	\$384.38	\$397.84	\$411.77
3"	\$575.37	\$775.82	\$806.86	\$839.14	\$868.51	\$898.91
4"	\$821.78	\$1,395.46	\$1,451.28	\$1,509.34	\$1,562.17	\$1,616.85

Note: Single family on a 1" meter for fire service are charged the 3/4" rate.

Five-Year Water Rate Schedule, Volume Charges, \$/kgal

Customer Class	Current	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028
Residential						
Tier 1: 0 - 7 kgal	\$4.52	\$5.01	\$5.22	\$5.43	\$5.63	\$5.83
Tier 2: 8 - 16 kgal	\$4.52	\$6.39	\$6.65	\$6.92	\$7.17	\$7.43
Tier 3: > 16 kgal	\$4.52	\$8.87	\$9.23	\$9.60	\$9.94	\$10.29
Commercial	\$4.52	\$5.51	\$5.74	\$5.97	\$6.18	\$6.40
Irrigation	\$4.52	\$9.92	\$10.32	\$10.74	\$11.12	\$11.51

Note: Water truck haulers are charged at the Irrigation customer class rate.

1 kgal = 1,000 gallons

Five-Year Wastewater (Sewer) Rate Schedule

Charge	Current	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028
Meter Size, \$/bi-mo						
5/8x3/4" & 3/4"	\$76.61	\$95.25	\$105.73	\$115.25	\$125.63	\$136.94
1"	\$127.97	\$258.35	\$286.77	\$312.58	\$340.72	\$371.39
1.5"	\$254.86	\$657.20	\$729.50	\$795.16	\$866.73	\$944.74
2"	\$408.03	\$841.02	\$933.54	\$1,017.56	\$1,109.15	\$1,208.98
3"	\$893.44	\$2,093.81	\$2,324.13	\$2,533.31	\$2,761.31	\$3,009.83
4"	\$1,276.06	\$6,307.17	\$7,000.96	\$7,631.05	\$8,317.85	\$9,066.46
Volume, \$/kgal	\$10.31	\$15.47	\$17.18	\$18.73	\$20.42	\$22.26

Note: Single family on a 1" meter for fire service are charged the 3/4" rate.

Volume charge is based on the lowest two months of water use between December and March, commonly referred to as Average Winter Consumption.



EyeOnWater®

Questions? Agenda Item Number 1
Call (707) 823-7863



SEE YOUR WATER USAGE!

FOLLOW THESE SIMPLE INSTRUCTIONS TO SEE YOUR WATER USAGE INFORMATION ONLINE

1

Visit <https://eyeonwater.com/signup> to create your online account. (When entering your account number, don't enter leading zeros or dash in account number. For example, for account number 009999-000, enter 9999000.)

Create your account at
EyeonWater.com



Watch a video to
see how it works!



SAMPLE WATER BILL

CUSTOMER NAME	SERVICE LOCATION	ACCOUNT NUMBER
JOHN SMITH	123 MAIN STREET	9999000

DUE DATE	CURRENT CHARGES
01/15/2017	\$45.50

Don't have a copy of your water bill? Questions about your account number? Some utilities use a customer number, omit hyphens, trailing zeros and non-numeric characters. When in doubt, contact your utility.

1. Enter your service or billing address
Zip/Postal Code.

2. Enter your account number as it appears
on your water bill.

Enter Service or Billing Zip/Postal Code

Enter your Account Number

NEXT

2

Name, Email Address and Password

Once you click **NEXT** Eye on Water will find your account.
Click on the correct account if more than one utility comes up.

3. Enter your full name

4. On the next screen you will enter your email address.

5. Next you will create and confirm a password.

6. Read and accept terms of use

Enter your full name

Enter your email address

Create new password

Confirm your password

Passwords must be a minimum of 12 characters and contain at least:
1 number, 1 special character, 1 upper case character, 1 lower case character.
Special Characters include:
^ \$ * . [] { } () ? " ! @ # % & / \ , > < ' : ; | _ ~ ` = + -

☐ I have read the Terms of Use for this application and agree to the provisions.

NEXT

3

Email Confirmation

We have sent an email confirmation to your email address, please open the link on the email and return to this app to complete your sign in.

Email address

RESEND EMAIL

4

Check your email

Hi Customer Name,

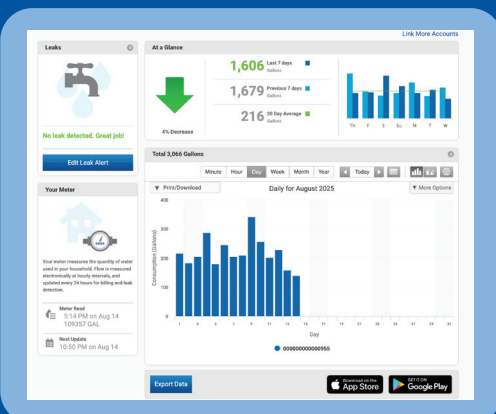
You're almost finished signing up for online access to your EyeOnWater water account. Please click the verification link below to activate your account and sign in.

[Click here](#) to verify your email address.

Once your email address is verified, you will have online access to view hourly water usage, explore your historical water usage trends, and set alerts for potential leaks in your home.

5

Now when you are logged in, you can see lots of information about your water consumption, and even see water leak alerts.



If you want to link more than one account, click on "LINK MORE ACCOUNTS" while you are logged in.

To add the  EyeOnWater® app to your mobile device, visit the Apple app store (iphone) or Google Play (Android) to download the app.