

DEBT SERVICE

The City records and disburses funds used to repay the annual principal and interest associated with issued debt. These debt service activities reflect both the accumulation of financial resources for repayment and the payment of principal on the City's general long-term obligations.

The General Fund accounts for the payment of debt service obligations related to general governmental purposes. The Utility Fund accounts for all debt service associated with the City's water utility operations.

Village Mobile Home Park (99-72)

On September 18, 2007 the City entered into a purchase agreement in the amount of \$1,611,594 for the Village Mobile Home Park purchase. The lease financing was in the amount of \$817,500 with an interest rate of 4.90% per annum for 20 years, and a \$17,500 cost of issuance. The semi-annual payments are \$32,293 and the debt will be paid in full on July 1, 2027.

Well 7 Arsenic Treatment System Construction Loan (99-77)

The City of Sebastopol needs to lower the arsenic level in Well 7, and construction plans and specifications for the Well 7 Water Treatment System has been completed by the consultant, and approved by the City Engineer. The City entered into 20 year loan from Muni Financing for the arsenic treatment system construction. The \$1,235,000 loan at 4.10% is for 20 years ending on June 30, 2035.

On May 18, 2021 the City adopted a resolution authorizing the refinancing of Well 7 Loan in the amount of \$1,177,000. The lease cost of issuance was \$30,000, with an interest rate of 2.09%, with annual payment of \$84,955 and the lease will be paid in full on December 2034.

Energy Conservation Measure Tax Exempt Lease Purchase (99-80)

The City of Sebastopol selected Syserco Energy Solution, Inc. to develop and implement a "Comprehensive Energy Efficiency, Water Conservation, and Solar PV Project" at City-owned facilities and water meter connections. The Project received unanimous approval from the City Council on October 19, 2021, and approval of the Tax-Exempt Lease Financing. The City entered into 15 year Equipment Lease Purchase Agreement with Signature Public Funding Corporation. The \$4,938,891 tax exempt lease purchase at 1.77% is for 15 years ending on July 1, 2036.

Debt Service							
Budget Expenditures							
Account Number	2024-25 Actual	2025-26 Adopted Budget	2025-26 Adjusted Budget	2025-26 Estimated Actual	2026-27 Proposed Budget	\$ Inc/(Dec) Proposed vs. Adopted Budget	% Change Proposed vs. Adopted Budget
71 - Infrastructure Lease							
6100 - Principal							
100 - General Fund	118,089	-	-	-	-	-	0.0%
212 - Park Development Fund	56,858	-	-	-	-	-	0.0%
500 - Water Enterprise Fund	131,476	-	-	-	-	-	0.0%
510 - WasteWater Enterprise Fund	118,933	-	-	-	-	-	0.0%
Total 6100 - Principal	425,355	-	-	-	-	-	0.0%
6200 - Interest							
100 - General Fund	1,136	-	-	-	-	-	0.0%
212 - Park Development Fund	547	-	-	-	-	-	0.0%
500 - Water Enterprise Fund	1,306	-	-	-	-	-	0.0%
510 - WasteWater Enterprise Fund	1,218	-	-	-	-	-	0.0%
Total 6200 - Interest	4,206	-	-	-	-	-	0.0%
Total 71 - Infrastructure Lease	429,561	-	-	-	-	-	0.0%
72 - VMHP (Park Village) Lease							
6100 - Principal							
100 - General Fund	55,187	57,924	57,924	54,312	60,797	2,873	5.0%
Total 6100 - Principal	55,187	57,924	57,924	54,312	60,797	2,873	5.0%
6200 - Interest							
100 - General Fund	9,398	6,661	6,661	10,273	3,788	(2,873)	-43.1%
Total 6200 - Interest	9,398	6,661	6,661	10,273	3,788	(2,873)	-43.1%
Total 72 - VMHP (Park Village) Lease	64,585	64,585	64,585	64,585	64,585	-	0.0%
73 - CREBS Lease							
6100 - Principal							
100 - General Fund	-	-	-	-	-	-	0.0%
402 - CREBS DS Fund	-	-	-	-	-	-	0.0%
500 - Water Enterprise Fund	-	-	-	-	-	-	0.0%
Total 6100 - Principal	-	-	-	-	-	-	0.0%
Total 73 - CREBS Lease	-	-	-	-	-	-	0.0%
74 - Fire Truck Lease							
6100 - Principal							
100 - General Fund	-	-	-	-	-	-	0.0%
248 - Measure H Fund	413,732	-	-	-	-	-	0.0%
Total 6100 - Principal	413,732	-	-	-	-	-	0.0%
6200 - Interest							
100 - General Fund	-	-	-	-	-	-	0.0%
248 - Measure H Fund	55,654	-	-	-	-	-	0.0%
Total 6200 - Interest	55,654	-	-	-	-	-	0.0%
Total 74 - Fire Truck Lease	469,386	-	-	-	-	-	0.0%
77 - Well 7 Loan							
6100 - Principal							
500 - Water Enterprise Fund	143,452	62,049	62,049	68,839	70,293	8,244	13.3%
Total 6100 - Principal	143,452	62,049	62,049	68,839	70,293	8,244	13.3%
6200 - Interest							
500 - Water Enterprise Fund	16,539	22,016	22,016	15,115	13,661	(8,355)	-37.9%
Total 6200 - Interest	16,539	22,016	22,016	15,115	13,661	(8,355)	-37.9%
Total 77 - Well 7 Loan	159,991	84,065	84,065	83,954	83,954	(111)	-0.1%

Debt Service							
Budget Expenditures							
Account Number	2024-25 Actual	2025-26 Adopted Budget	2025-26 Adjusted Budget	2025-26 Estimated Actual	2026-27 Proposed Budget	\$ Inc/(Dec) Proposed vs. Adopted Budget	% Change Proposed vs. Adopted Budget
80 - Signature DS-Energy Project							
6100 - Principal							
100 - General Fund	68,596	69,810	69,810	69,810	71,045	1,235	1.8%
500 - Water Enterprise Fund	134,209	136,584	136,584	136,584	139,002	2,418	1.8%
510 - WasteWater Enterprise Fund	95,437	97,127	97,127	97,127	98,846	1,719	1.8%
Total 6100 - Principal	298,242	303,521	303,521	303,521	308,893	5,372	1.8%
6200 - Interest							
100 - General Fund	17,574	16,360	16,360	16,359	15,124	(1,236)	-7.6%
500 - Water Enterprise Fund	34,384	32,008	32,008	32,008	29,591	(2,417)	-7.6%
510 - WasteWater Enterprise Fund	24,451	22,761	22,761	22,761	21,042	(1,719)	-7.6%
Total 6200 - Interest	76,408	71,129	71,129	71,129	65,757	(5,372)	-7.6%
Total 80 - Signature DS-Energy Project	374,650	374,650	374,650	374,650	374,650	0	0.0%
Total Debt Service	1,498,173	523,300	523,300	523,189	523,189	(111)	0.0%
DEBT SERVICE SUMMARY							
100 - General Fund	269,979	150,755	150,755	150,754	150,755	(1)	0.0%
500 - Water Fund	461,365	252,657	252,657	252,547	252,547	(110)	0.0%
510 - Sewer Fund	240,039	119,888	119,888	119,888	119,888	0	0.0%
212 - Park Development Fund	57,404	-	-	-	-	-	0.0%
248 - Measure H Fund	469,386	-	-	-	-	-	0.0%
402 - CREBS Fund	-	-	-	-	-	-	0.0%
Total	1,498,173	523,300	523,300	523,189	523,189	(111)	0.0%