



STAFF REPORT
8/6/2025

TO: Honorable Mayor and City Council Members

FROM: Lincoln Bogard, Finance Director
Ruben Ramirez, Controller

SUBJECT: Resolution No. SD-2025-03, Approving the Fiscal Year 2025-2026 Coachella Sanitary District Annual Budget

STAFF RECOMMENDATION:

Adopt Resolution SD-2025-03 approving the annual budget and organizational structure for the fiscal year 2025-2026 for the Coachella Sanitary District.

BACKGROUND:

The Sanitary District's 2025-2026 budget includes revenues projected at \$8.77 million, which represents a decrease of 14.21% over the prior fiscal year. This results from decreases in interest and other revenues.

District expenditures (net of principal payments) are budgeted at \$8.93 million, which is 17.06% lower than last year. The decrease is due to decreases in administrative costs, operating costs, and inter-fund transfers.

FISCAL IMPACT:

Budget impact in chart on next page. Recommended classification changes are: (1) add one FTE Treatment Plant Operator I, and (2) reclass one-half FTE from Utility Manager to Utility Director. This change occurred in Fiscal Year 2024-25, but was not included in the resolution approving the budget change.

	Projected 2023-24	Budget 2024-25
<u>Beginning Net Position</u>		
Restricted	\$ 1,560,676	\$ 2,564,589
Unrestricted	4,013,579	2,471,203
Total Beginning Net Position	5,574,255	5,035,792
<u>Revenues</u>		
Connection Fees	1,003,913	781,007
Utility Service	7,050,000	7,715,637
Property Taxes	229,000	190,850
Interest & Other Revenue	1,944,457	86,500
Total Revenue	10,227,370	8,773,994
<u>Expenditures</u>		
Operating Costs	7,560,748	5,435,741
Administrative Costs	2,747,856	3,084,790
Debt Service - Interest	457,229	408,117
Total Expenditures	10,765,833	8,928,648
Surplus (Deficit)	(538,463)	(154,654)
<u>Ending Net Position</u>		
Restricted	2,564,589	3,345,596
Unrestricted	2,471,203	1,535,541
Total Ending Net Position	\$ 5,035,792	\$ 4,881,137

EXHIBITS:

Resolution SD-2025-03

Fiscal Year 2025-26 Proposed Budget

Five Year Capital Improvement Plan