



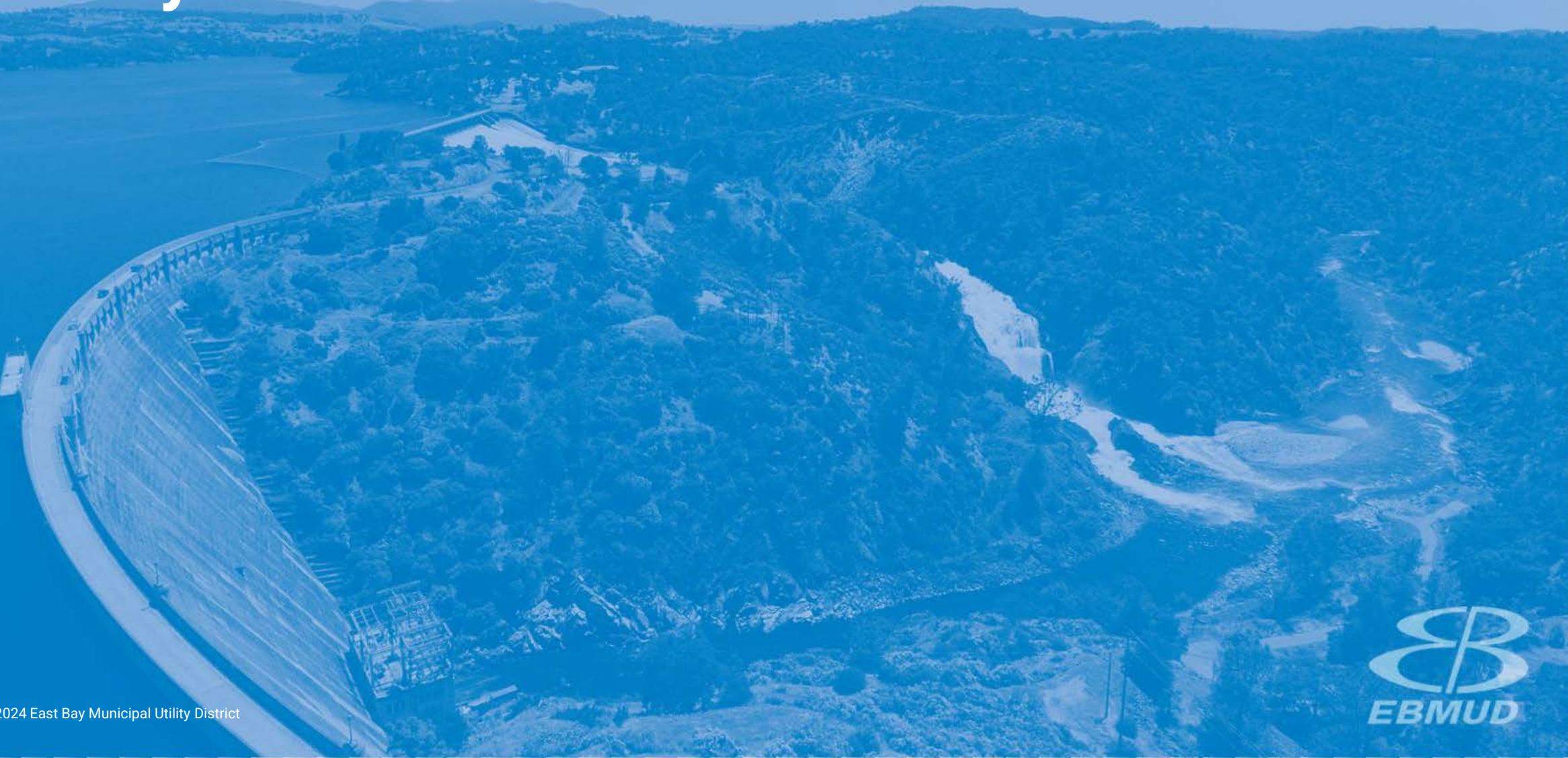
# Fiscal Year 2025 Budget Report

Finance/Administration Committee

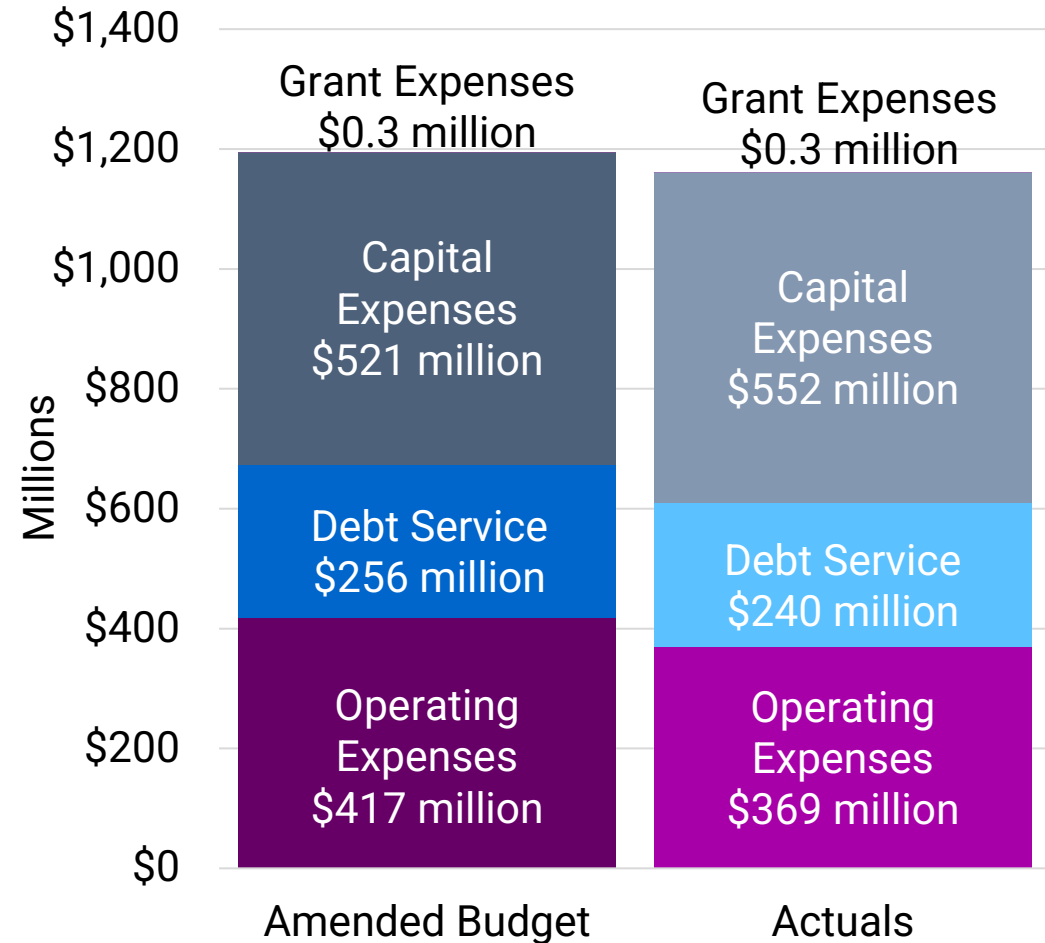
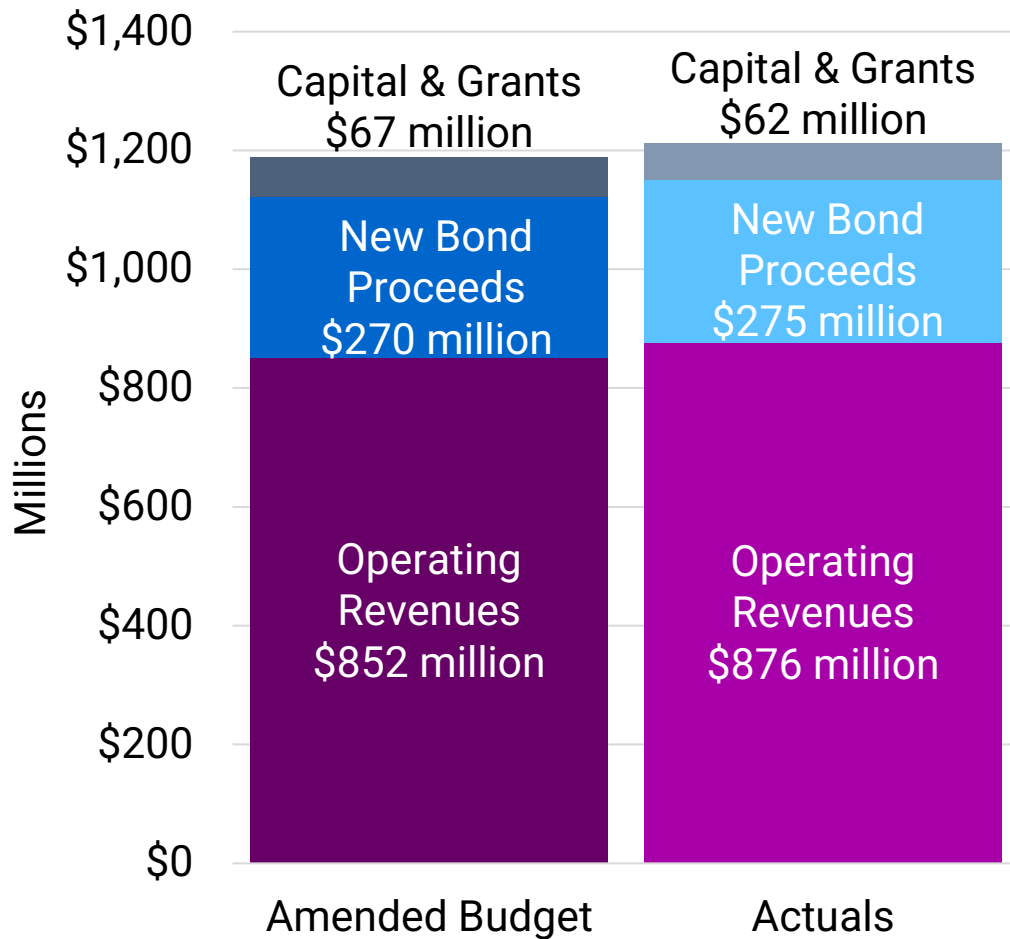
September 23, 2025

Samuel Feldman, Manager of Budget

# Water System



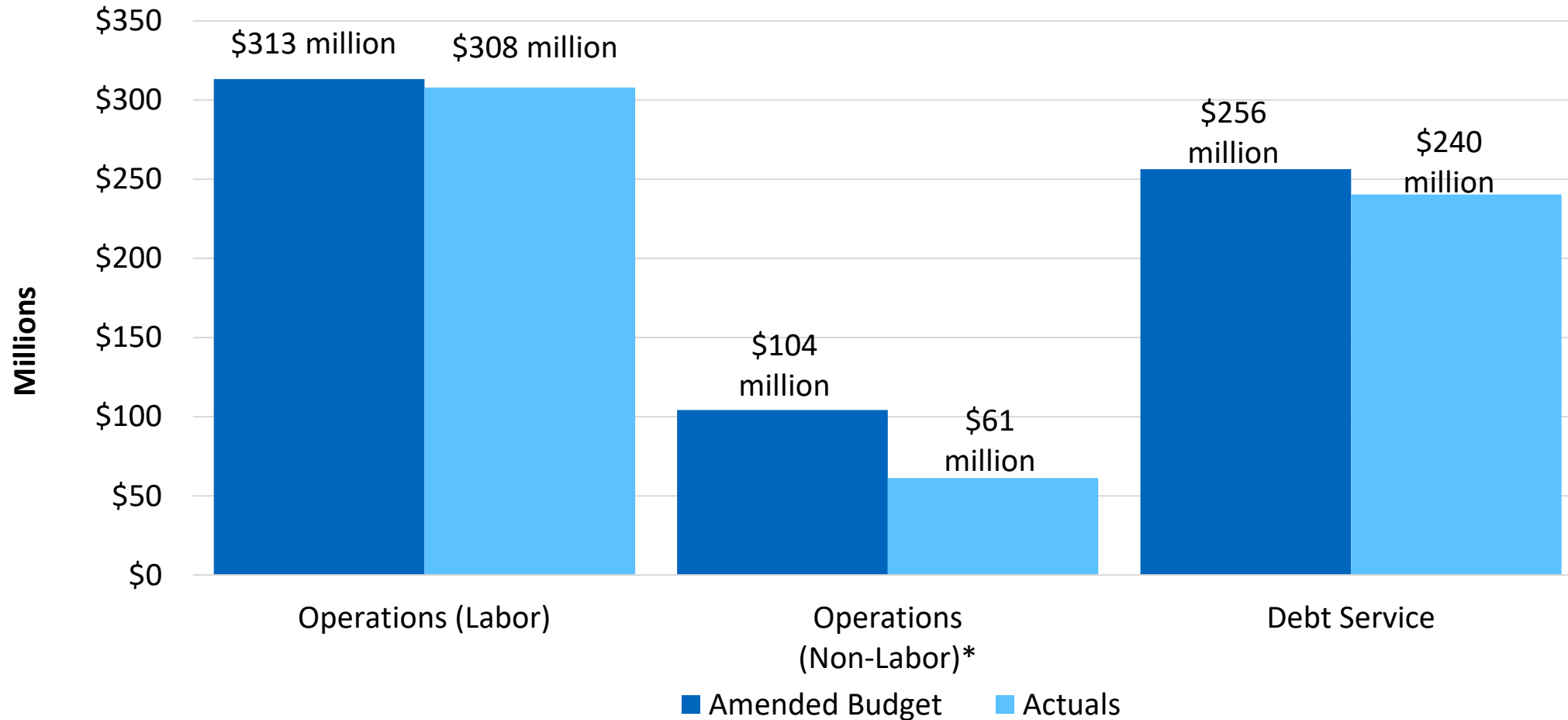
# Water System Revenues and Expenses



# Water System Revenues (\$ Thousands)

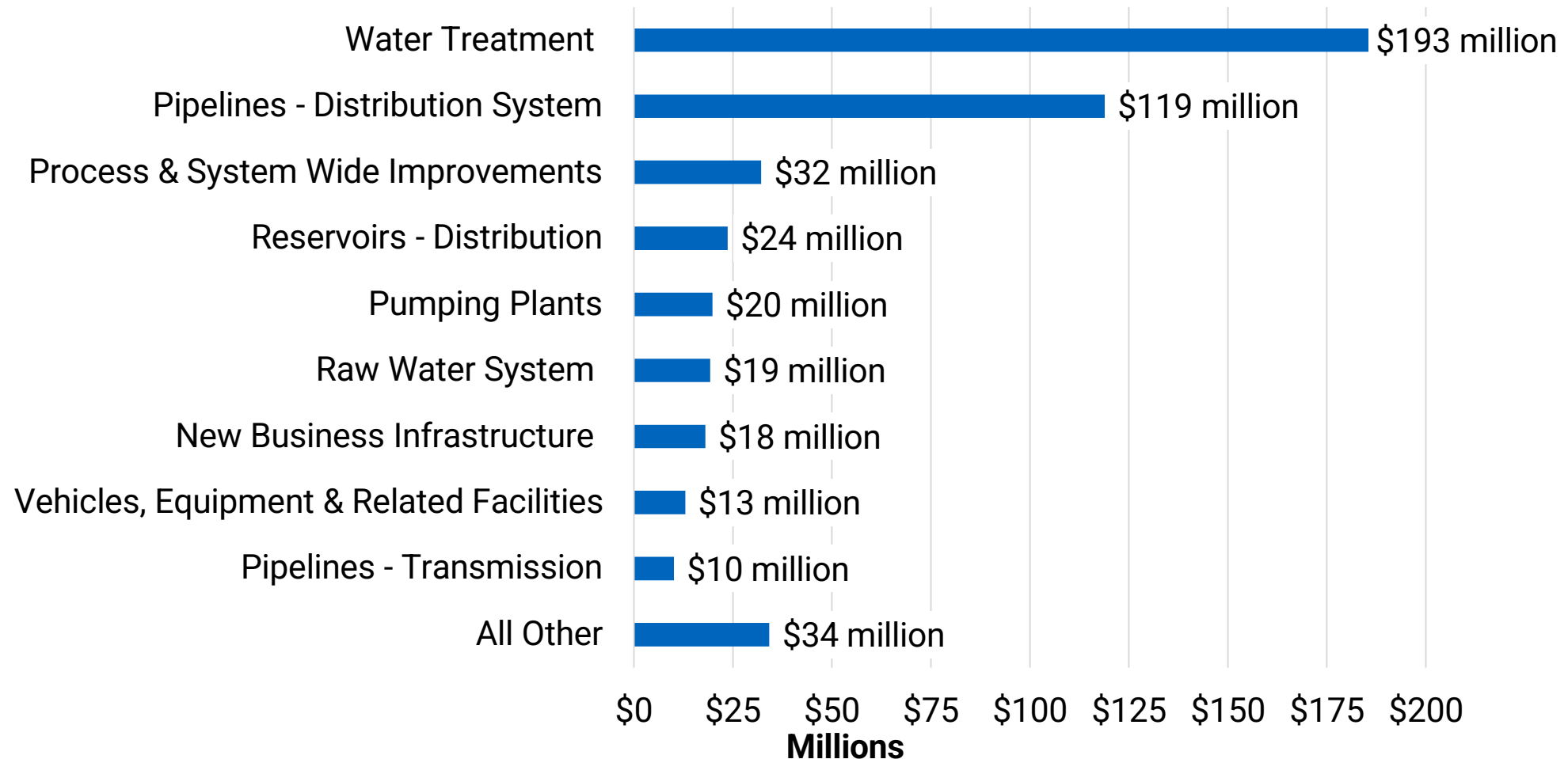
	Amended Budget	Actuals	Over / (Under)	%
Water Charges	739,641	750,772	11,131	102%
Property Taxes	51,400	52,963	1,563	103%
Power Sales	10,200	12,156	1,956	119%
Interest Income	15,000	18,390	3,390	123%
Reimbursements	14,400	13,051	(1,349)	91%
All Other Revenue	21,400	28,677	7,277	134%
<b>Operating Revenues</b>	<b>852,041</b>	<b>876,008</b>	<b>23,967</b>	<b>103%</b>
SCC Revenue	36,200	36,459	259	101%
New Bond Proceeds	269,500	275,000	5,500	102%
Grants	-	2,025	2,025	-
Capital Reimbursements	31,100	21,945	(9,155)	71%
Other Capital Revenue	-	1,351	1,351	-
<b>Capital Revenues</b>	<b>336,800</b>	<b>336,780</b>	<b>(20)</b>	<b>100%</b>
<b>Total Revenues</b>	<b>1,188,841</b>	<b>1,212,789</b>	<b>23,948</b>	<b>102%</b>

# Water System Operating & Debt Expenses



\*Includes capital support offsets.

# Water System Capital Cash Flow Expenses

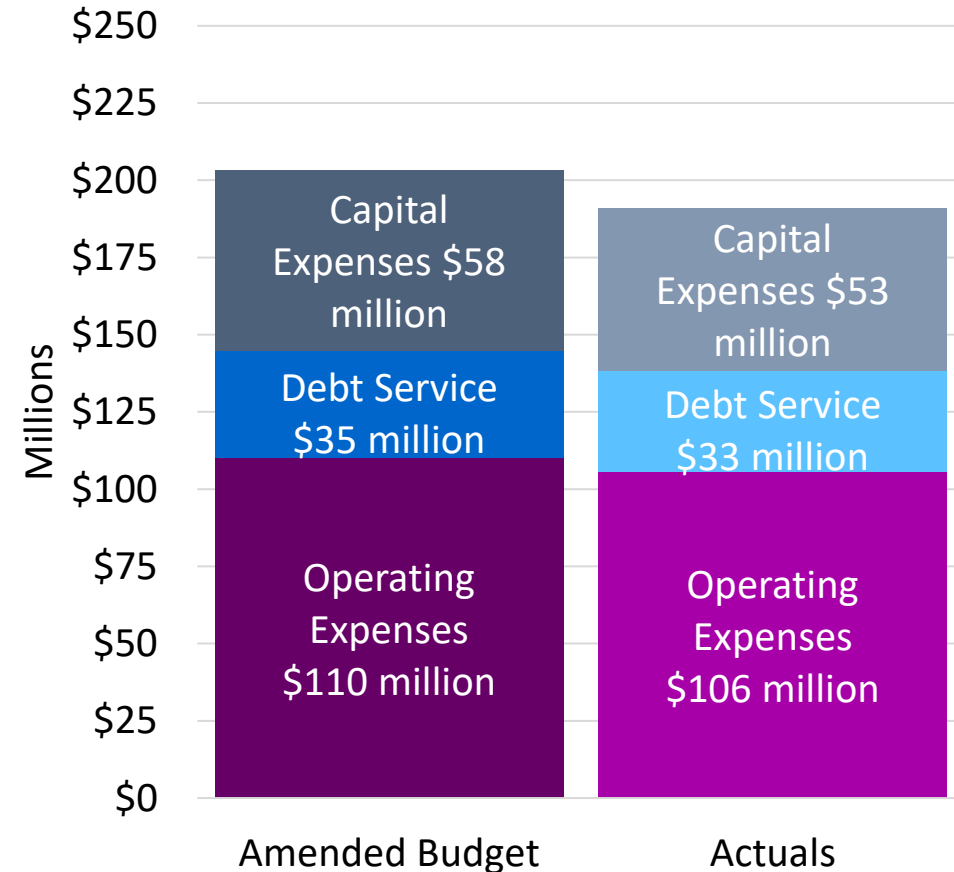
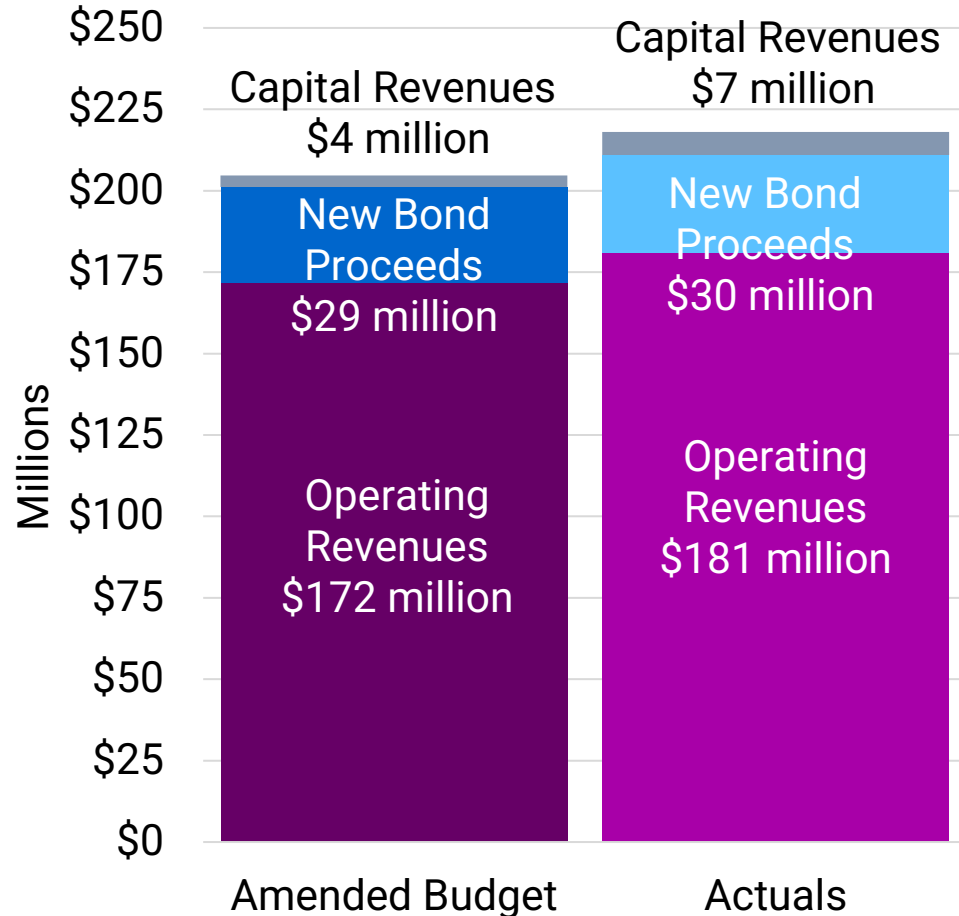


# Water System Cash, Investments & Reserves (\$ Thousands)

	Budget	Actuals	Over / (Under)	%
Rate Stabilization Fund	150,000	150,000	-	100%
Working Capital	103,291	103,300	9	100%
Self-Insurance	6,099	9,994	3,895	164%
Workers Compensation	7,753	7,669	(84)	99%
<b>Total Operating Reserves</b>	<b>267,143</b>	<b>270,963</b>	<b>3,820</b>	<b>101%</b>
Reserved for Capital Projects*	-	170,068	170,068	
Vehicle Replacements*	-	27,924	27,924	
<b>Total Capital Reserves</b>	<b>188,800</b>	<b>197,992</b>	<b>9,192</b>	<b>105%</b>
<b>Total Unrestricted Cash and Investments</b>	<b>455,943</b>	<b>468,955</b>	<b>13,012</b>	<b>103%</b>
Debt-Related Reserves*	-	1,172	1,172	
Funds Received for Construction*	-	31,771	31,771	
FERC Partnership Fund*	-	2,197	2,197	
Monetary Reserve*	-	114	114	
<b>Total Restricted Cash and Investments*</b>	<b>-</b>	<b>35,254</b>	<b>35,254</b>	
<b>Total Cash and Investments</b>	<b>455,943</b>	<b>504,209</b>	<b>48,266</b>	<b>111%</b>

# Wastewater System

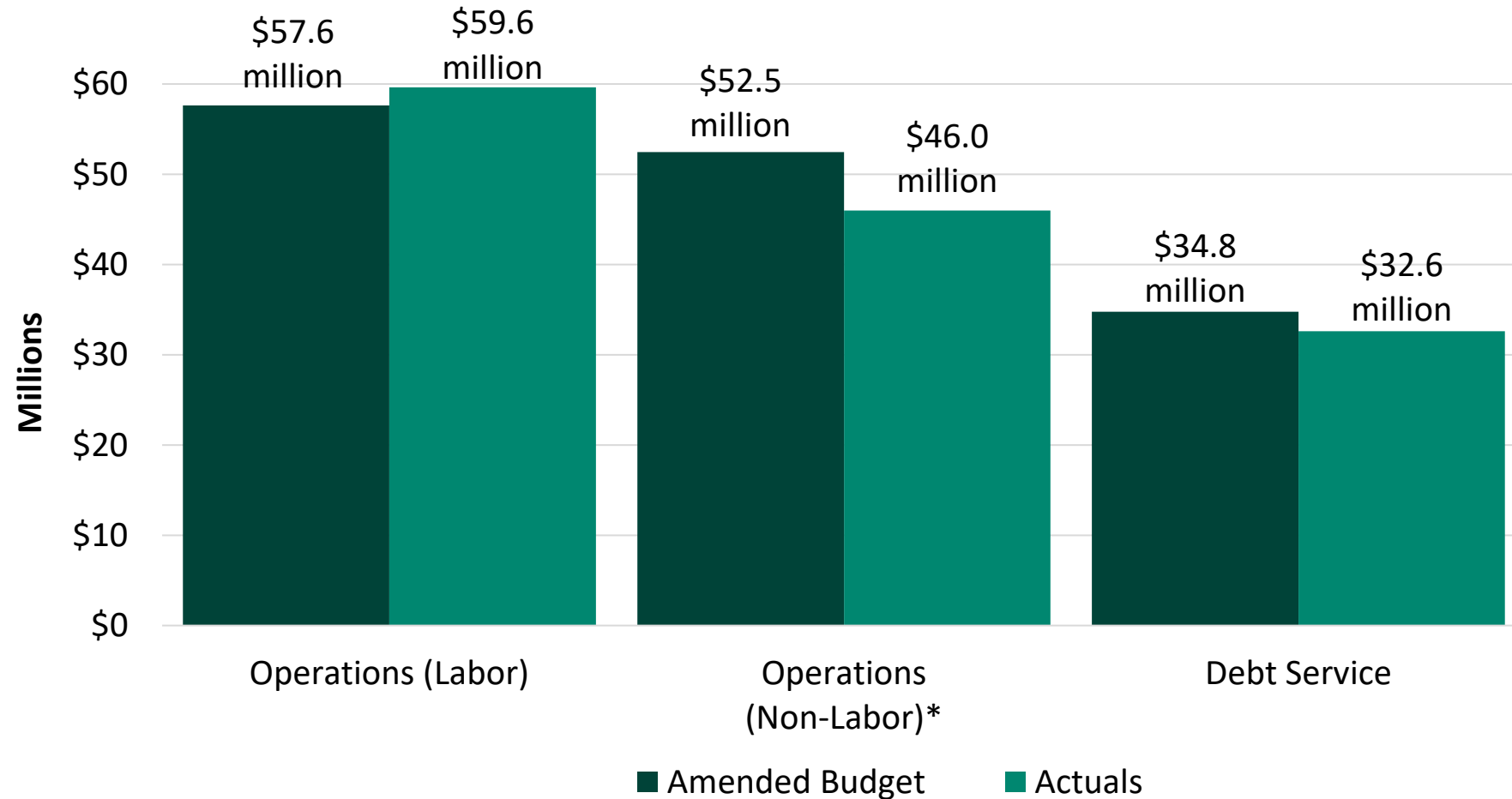
# Wastewater System Revenues and Expenses



# Wastewater System Revenues (\$ Thousands)

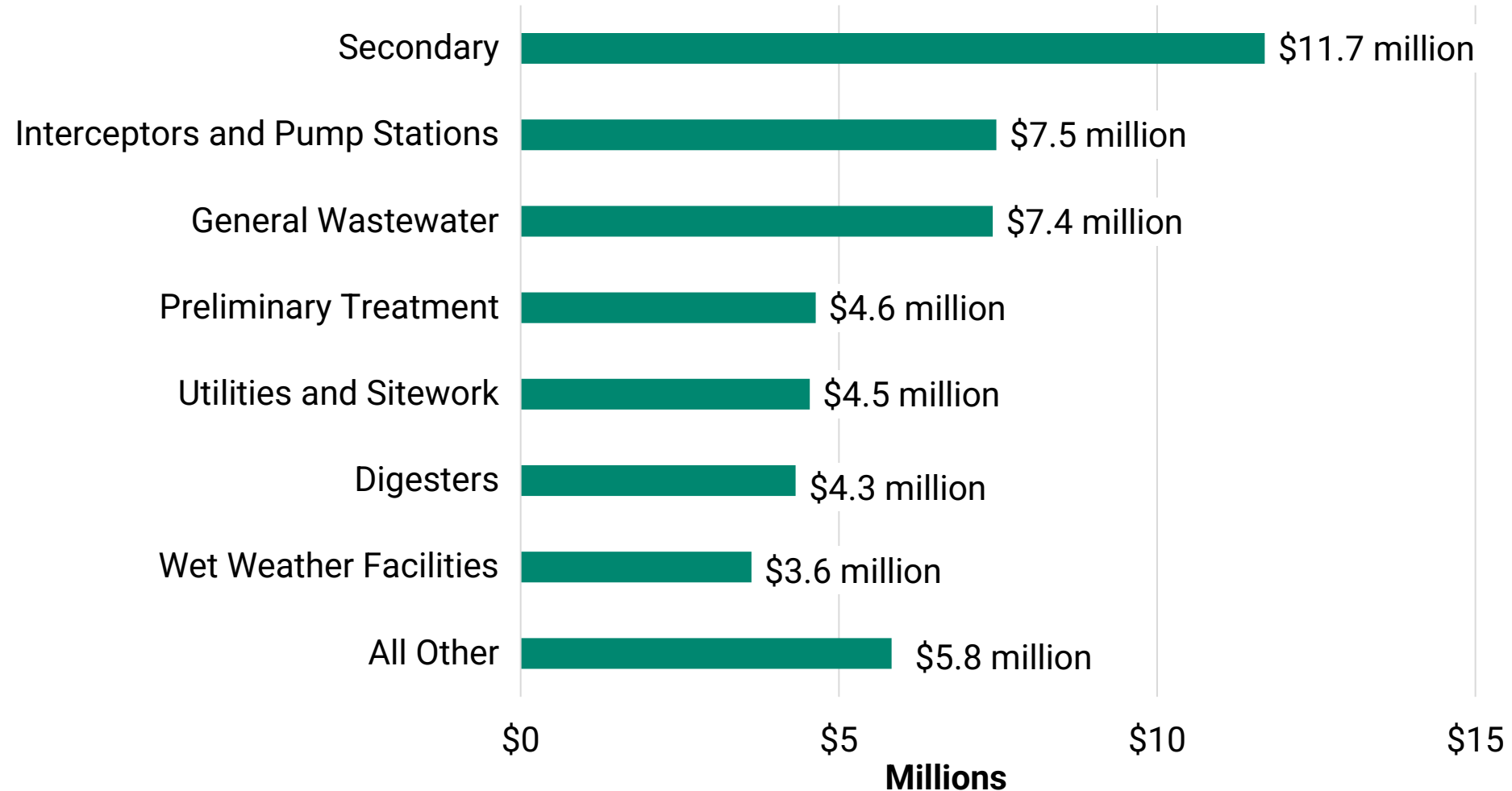
	Amended Budget	Actuals	Over / (Under)	%
Treatment Charges	99,834	100,275	441	100%
Wet Weather Facility Charges	36,200	36,193	(7)	100%
Resource Recovery	10,000	15,015	5,015	150%
Property Taxes	7,700	9,006	1,306	117%
Interest Income	3,200	4,075	875	127%
Laboratory Services	5,000	5,506	506	110%
Reimbursements	1,900	2,219	319	117%
Permit Fees	1,700	1,617	(83)	95%
All Other Revenue	6,200	7,037	837	114%
<b>Operating Revenues</b>	<b>171,734</b>	<b>180,943</b>	<b>9,209</b>	<b>105%</b>
Capacity Charges	3,600	5,358	1,758	149%
New Bond Proceeds	29,400	30,000	600	102%
Other Capital Revenues	-	1,773	1,773	-
<b>Capital Revenues</b>	<b>33,000</b>	<b>37,131</b>	<b>4,131</b>	<b>113%</b>
<b>Total Revenues</b>	<b>204,734</b>	<b>218,074</b>	<b>13,340</b>	<b>107%</b>

# Wastewater System Operating & Debt Expenses



\*Includes capital support offsets.

# Wastewater System Capital Cash Flow Expenses

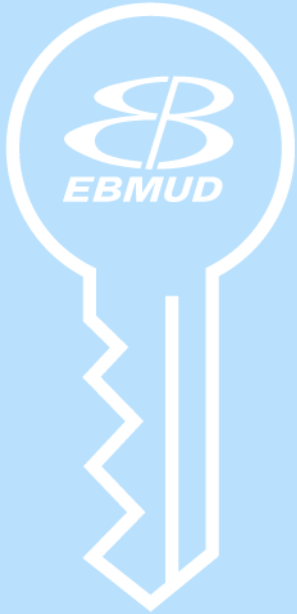


# Wastewater System Cash, Investments & Reserves (\$ Thousands)

	Budget	Actuals	Over / (Under)	%
Rate Stabilization Fund	32,000	32,000	-	100%
Working Capital	27,116	27,100	(16)	100%
Self-Insurance	1,202	1,624	422	135%
Workers Compensation	945	1,246	301	132%
<b>Total Operating Reserves</b>	<b>61,263</b>	<b>61,970</b>	<b>707</b>	<b>101%</b>
Reserved for Capital Projects*	-	66,653	66,653	
Equipment Replacements*	-	3,197	3,197	
<b>Total Capital Reserves</b>	<b>50,277</b>	<b>69,850</b>	<b>19,573</b>	<b>139%</b>
<b>Total Unrestricted Cash and Investments</b>	<b>111,540</b>	<b>131,820</b>	<b>20,280</b>	<b>118%</b>
Debt-Related Reserves*	-	39	39	
Monetary Reserve*	-	1,000	1,000	
<b>Total Restricted Cash and Investments*</b>	<b>-</b>	<b>1,039</b>	<b>1,039</b>	
<b>Total Cash and Investments</b>	<b>111,540</b>	<b>132,859</b>	<b>21,319</b>	<b>119%</b>

# Summary and Next Steps





## Summary and Next Steps

- Total revenues and expenditures were largely balanced for both enterprises
- New bond proceeds were 24 percent of total revenues for the Water System and 16 percent for the Wastewater System
- Budget projections for Fiscal Year 2026 will be provided in February 2026 based on the first six months of the fiscal year

# Questions



Flowing  
into the  
Future



# Approve a New Policy and Revise Existing Policies

Finance/Administration Committee

September 23, 2025

Barry N. Gardin, Internal Auditor Supervisor

# Policies

## **New Policy Proposed for Adoption**

- 6.16 – Protection of Whistleblowers

## **Policies Proposed for Revision**

- 7.11 – Use of District Bay Area Facilities
- 9.03 – Water Supply Availability and Deficiency
- 9.07 – Dam Safety Program

# Background

- Policies are adopted by the Board to establish District goals, standards, and priorities, as well as guide staff in achieving the District's mission.
- Existing policies are reviewed at least every two years, or updated as necessary, to ensure alignment with Board priorities.
- Proposed policies as well as policy revisions are reviewed with the Finance/Administration Committee and then brought to the Board for consideration.

# New Policy (6.16 - Protection of Whistleblowers)

## **This policy:**

- Increases transparency and accountability to District stakeholders
- Codifies the ability of staff to report inappropriate or unlawful activities
- Protects staff from discrimination, harassment, or retaliation

# Policy Revisions

## **Policy 7.11 – Use of District Bay Area Facilities**

- Adds affinity groups to Authorized Employee Events section
- Provides clarity on locations available for meetings

## **Policy 9.03 – Water Supply Availability and Deficiency**

- Adds language regarding drought declaration
- Clarifies actions required to be taken

## **Policy 9.07 – Dam Safety Program**

- Meets dam safety requirements and annual review
- Adds an objective to reflect accountability
- Clarifies roles and responsibilities related to dam safety
- Updates list of agencies that require dam-related emergency preparedness

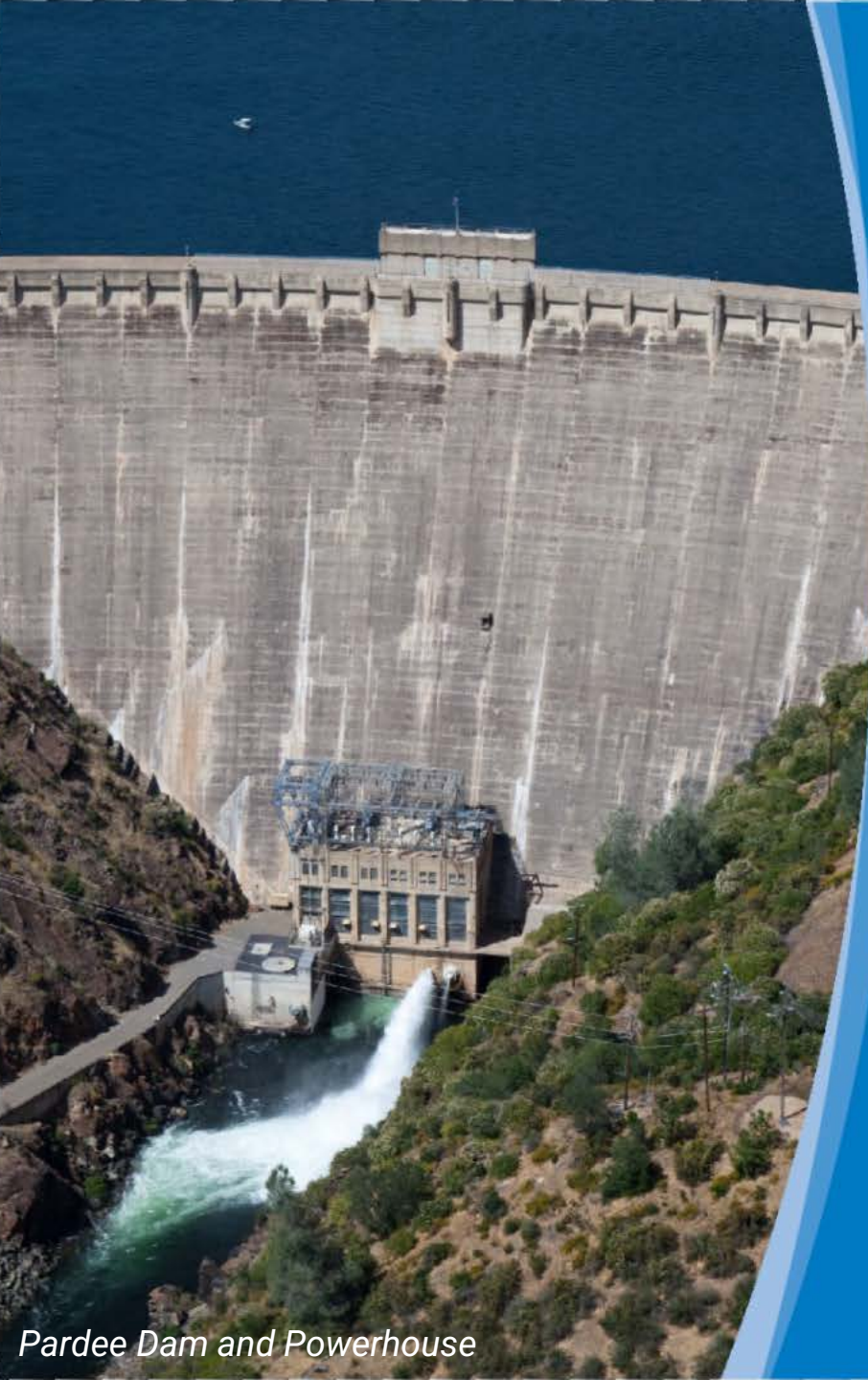
# Next Steps

- Board considers adoption of new policy and revisions to existing policies

# Discussion



Flowing  
into the  
Future



# Fiscal Year 2025 Annual Hydropower Revenue Report

Finance/Administration Committee  
September 23, 2025

Casey LeBlanc, Senior Civil Engineer



# Background: Energy

- Energy Sales from the Pardee and Camanche Powerhouses

- Pacific Gas and Electric Company 1981 to 1999
- Various Entities 2000 to 2005
- Sacramento Municipal Utility District 2005 to 2015
- Marin Clean Energy 2015 to 2025
- Silicon Valley Clean Energy Authority 2025 to 2030



*Pardee Reservoir*

- Hydropower Marketing

- Staff prepare daily generation schedules for the Pardee and Camanche Powerhouses after all other reservoir release obligations are met.
- District contracts with certified parties (e.g., scheduling coordinator and qualified reporting entity) to participate in wholesale energy market.
- Generation during peak energy demands enhances revenue and supports grid reliability.

# Background: Other Energy Products

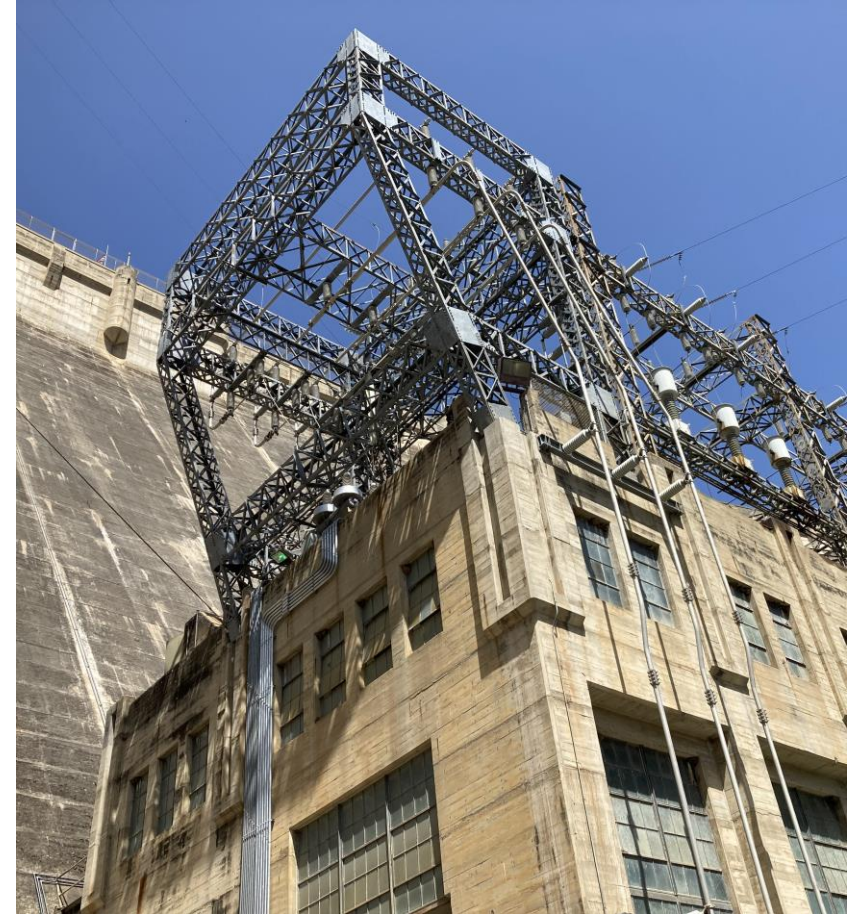
- Renewable Energy Certificate (REC)
  - Represents one megawatt-hour (MWh) of electricity generated from a renewable resource. REC owners claim the environmental attributes of the renewable energy.
- Resource Adequacy (RA)
  - A reservation system required by the California Public Utilities Commission to improve statewide grid reliability by ensuring sufficient generating resources are available for planned electric loads.



*Camanche Powerhouse*

# Fiscal Year 2025 Hydropower Revenue

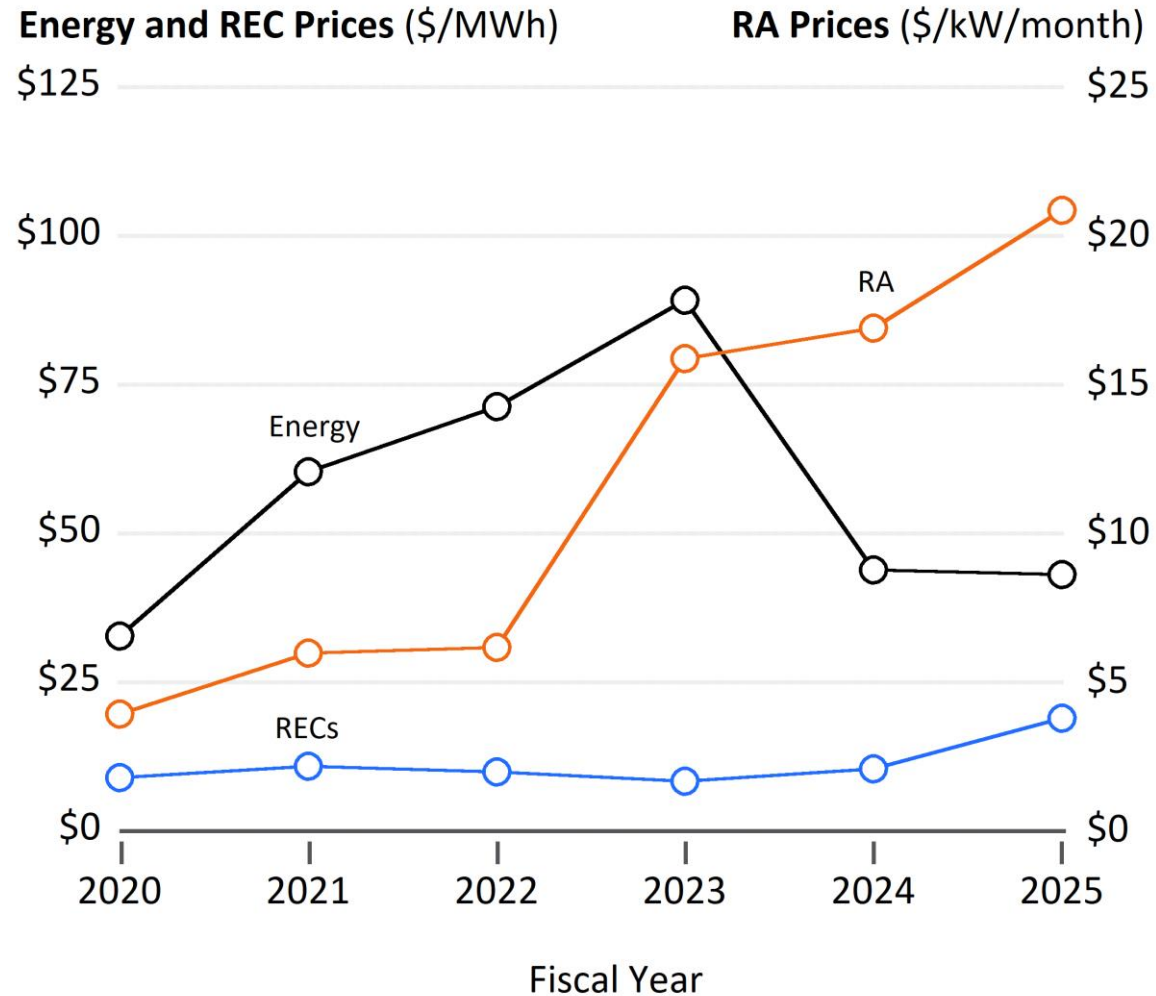
- Budgeted Revenue: **\$10.2 million**
- Actual Revenue: **\$11.1 million**
- Additional RECs sold
- Additional RA sold in early Fiscal Year 2025 when extra capacity was available
- Overall favorable market pricing for RECs and RA in Fiscal Year 2025



*Pardee Powerhouse*

# Energy Product Prices

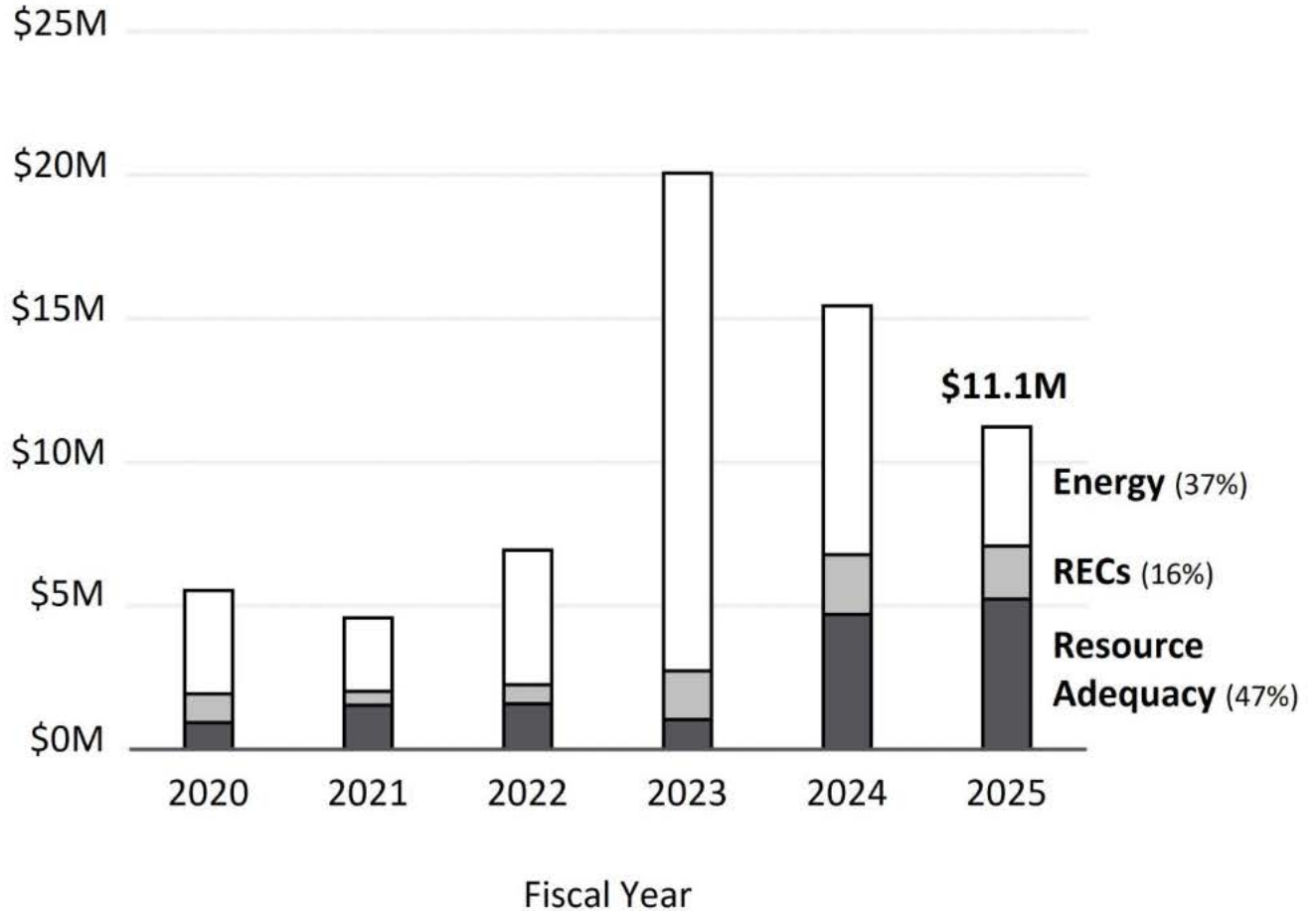
- RA prices increased in Fiscal Year 2025 but are expected to decrease.
- Wholesale energy prices decreased in Fiscal Year 2025 due to above average natural gas storage and additional renewable energy supplies.
- REC prices are less variable. District's REC sales price increased to \$24 in Fiscal Year 2026.



# Hydropower Revenue Components

- Fiscal Year 2025 Net Revenue \$11.1 million
- RA revenue remained high in Fiscal Year 2025
- Drier hydrology and weaker wholesale energy prices reduced recent energy sales
- Forecasted Fiscal Year 2026 Net Revenue \$14.1 million

Hydropower Net Revenue



# Achievements and Next Steps

- Achievements

- Executed five-year agreement with Silicon Valley Clean Energy Authority to sell energy and RECs
- Executed agreements with Shell Energy North America to sell RECs and RA for \$3.4 million
- Executed agreements with NRG Business Marketing to sell RA for \$5.3 million
- Earned approximately \$500,000 in revenue from daily peaking at Pardee Powerhouse

- Next Steps

- Monitor hydrologic conditions for opportunities to market additional RA



*Camanche Powerhouse*



# Questions?

