

Crockett Community Services District



2026 Sewer Financial Plan Recommendations

May 27, 2026



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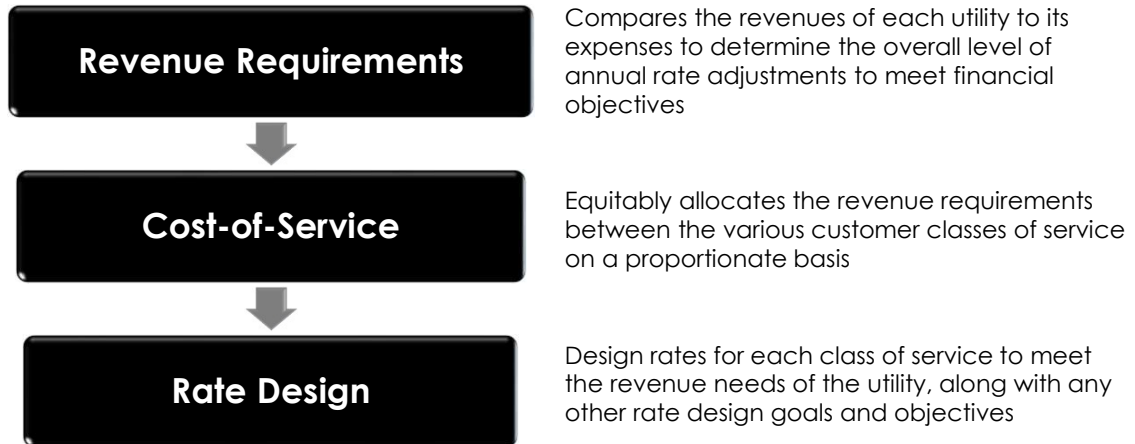
Agenda

1. The rate setting process & legal requirements
2. Wastewater Utility Financial Plan
3. Proposed Rates
4. Project Schedule

2

2

The Rate Setting Process



3

3

Legal Requirements for Setting Water Rates In California

Proposition 218 (Article XIID, Section 6 of California Constitution)

- Revenues shall not exceed funds required to provide service; nor used for another purpose
- Amount shall not exceed the proportional cost of the service attributable to the parcel
- Service must be actually used or immediately available
- Approval process includes 45-day notice, public hearing, and written majority protest. Does not require a voting process (unlike taxes).

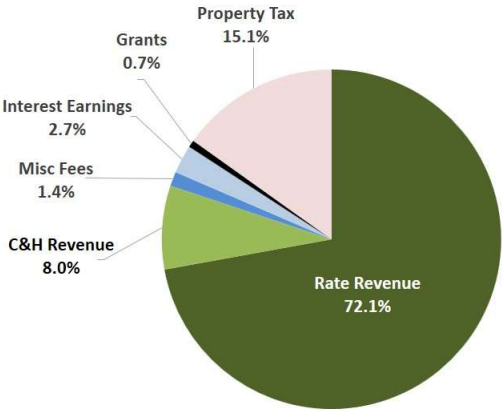
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4

Revenue

FY 2026/27 Budget

Rate Revenue	\$2,002,000
C&H Revenue	\$221,000
Non-Rate Revenue	
Misc Fees	\$38,000
Interest Earnings	\$75,000
Grants	\$19,000
Property Tax	\$420,000
Total:	\$2,775,000



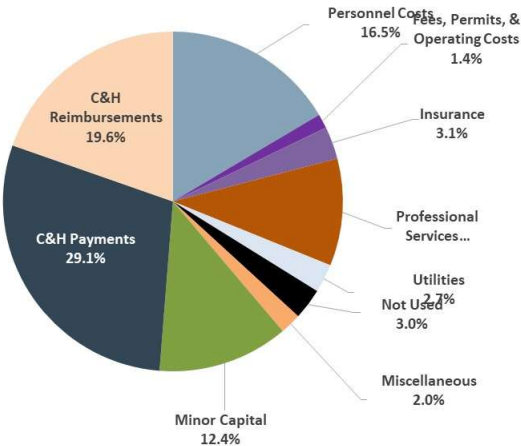
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5

Operating Expenses & Debt Service

FY 2026/27 Budget*

Personnel Costs	\$485,000
Fees, Permits, & Operating Costs	\$40,000
Insurance	\$91,000
Professional Services	\$300,000
Utilities	\$80,000
Not Used	\$87,000
Miscellaneous	\$59,000
Minor Capital	\$366,000
C&H Payments	\$856,000
C&H Reimbursements*	\$578,000
Total Budget:	\$2,942,000



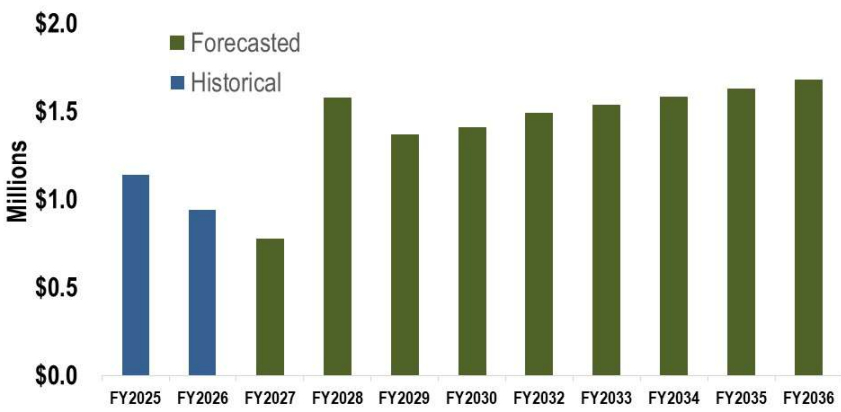
* C&H Reimbursements subject to change

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Forecasted Capital Spending

Collection System Rehabilitation: \$10 million over 10 years
Joint Treatment Plant Rehabilitation: \$625 thousand per year
Pump Station Rehabilitation: \$300 thousand per year
1 RDB Building Improvements: \$325 thousand

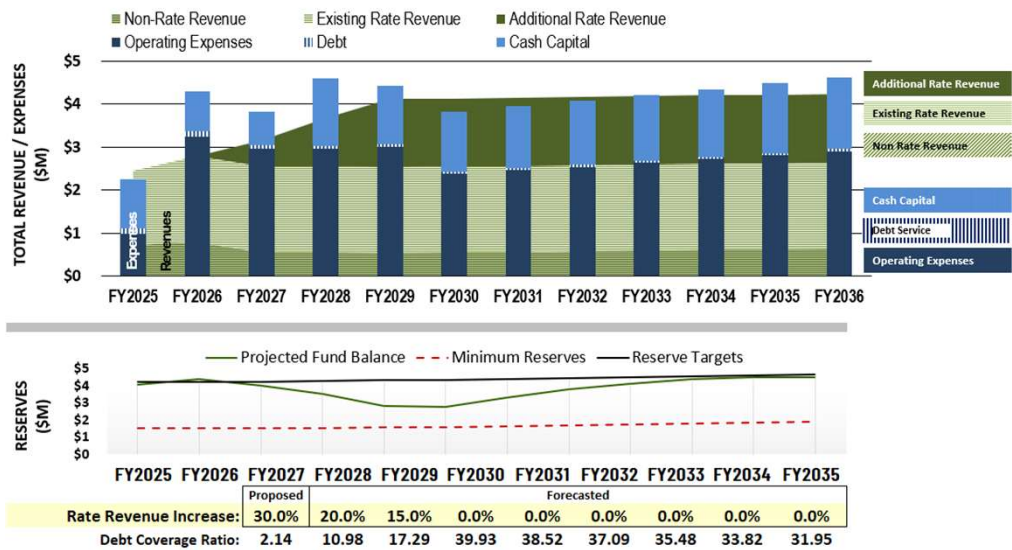


Proposed Reserve Targets

The following reserves are designed to protect the District against unforeseen circumstances and strengthen District's credit rating.

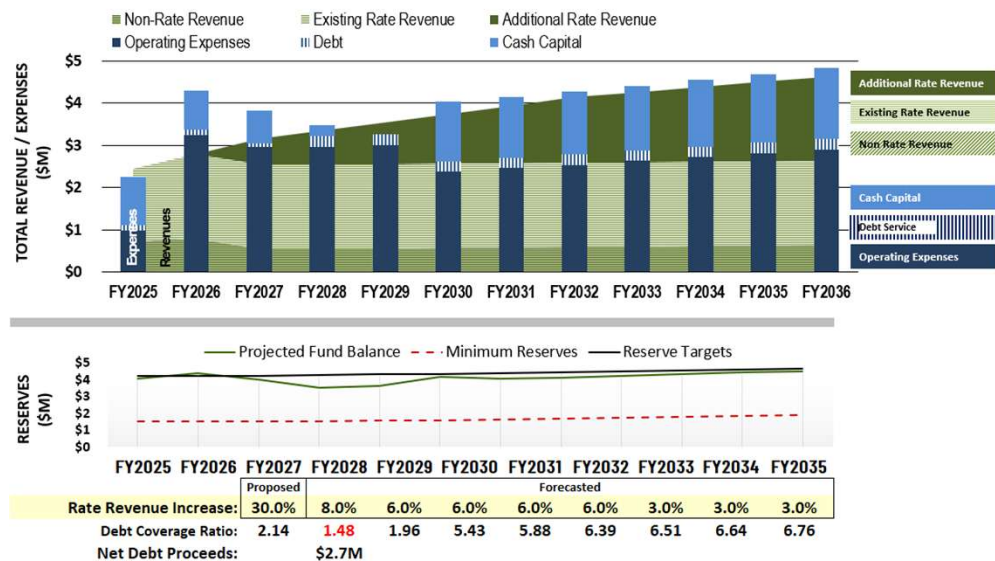
Reserve	Purpose and Target Level	Target
Operating Reserve	Designed to protect the Utility from unexpected changes in operating costs or interruptions in revenue. Proposed Target: 8 months of annual operating and maintenance.	\$1.6 million
Capital Reserve	Designed to provide a financial cushion against the inherently volatile nature of capital spending and also protect the utility in the event of a catastrophic asset failure. Proposed Target: Average annual capital spending	\$1.4 million

Crockett Sanitary Department Financial Forecast
No Debt

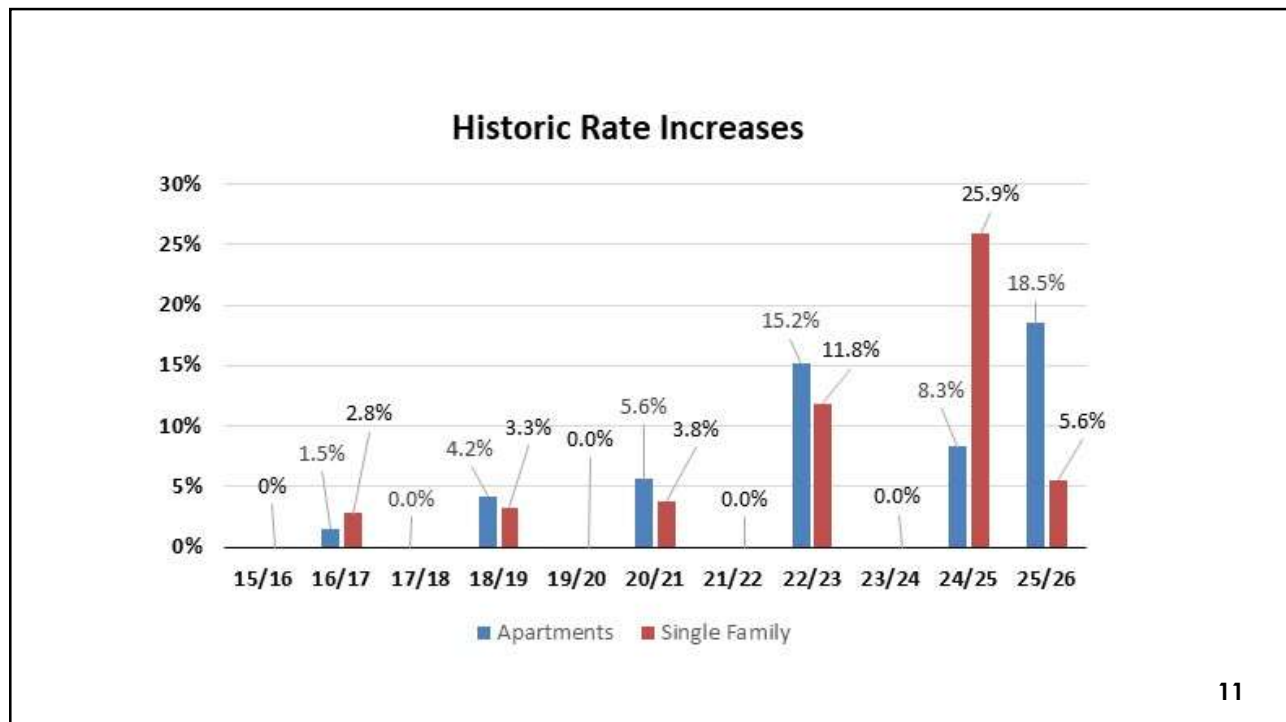


9

Crockett Sanitary Department Financial Forecast
\$2.7 Million in Debt



10



11

Proposed Sewer Rates (with 30% increase on August 1)

	Current	Proposed	
Single Family Residence	\$1,217	\$1,582	per account
Apartment	\$974	\$1,266	per dwelling unit
Non-residential / Mixed Use	\$974	\$1,266	per year plus
plus	\$12.79	\$16.63	per 100 cf of water consumption in excess of 3,871 cf per year*

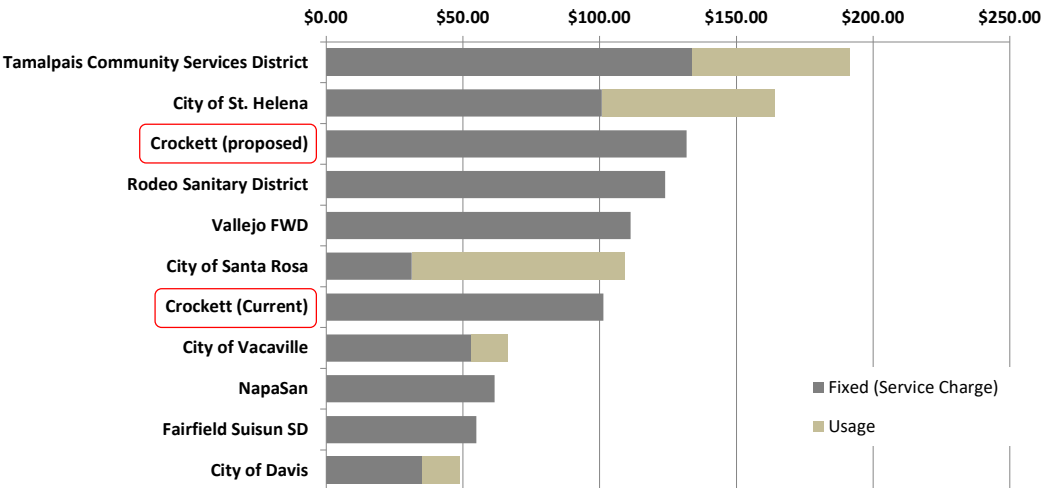
* Based on average discharge of sewage per unit of the user classification.

12

12

Sewer Rate Survey

Monthly bill for 3/4" meter single family residential with 9.3 CCF of water usage*



* Estimated average usage for single family homes

13

13

Project Schedule

Early June - Mail 218 Notices
July 24 - Public Hearing
Rates will be effective August 1

14

14