

FY 2010-11 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: **POWER RESOURCES**

Section/Index No: **687400**

Sub-Object No. and Title	Adopted 2009-10	Requested 2010-11	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$8,225	\$20,000	\$11,775	143.16%
Subtotal Use of Money	\$8,225	\$20,000	\$11,775	143.16%
<u>MISCELLANEOUS REVENUE</u>				
4039 Sale-Power	\$7,096,015	\$7,010,000	(\$86,015)	(1.21%)
4102 Donations/Reimbursements	0	800,000	800,000	N/A
Subtotal Miscellaneous Revenue	\$7,096,015	\$7,810,000	\$713,985	10.06%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
4210 Advances	\$1,000,000	\$500,000	(\$500,000)	(50.00%)
4219 Advances - Clearing	(1,000,000)	(500,000)	500,000	(1)
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$7,104,240	\$7,830,000	\$713,985	10.05%

EXPENDITURES:

SERVICES AND SUPPLIES

6102 Equipment Insurance	\$10,000	\$5,000	(\$5,000)	(50.00%)
6140 Maintenance - Equipment	50,000	5,000	(45,000)	(90.00%)
6523 District Operations	75,000	275,000	200,000	266.67%
6570 Consultant Services	125,000	200,000	75,000	60.00%
6610 Legal Services	110,000	100,000	(10,000)	(9.09%)
6840 Rents/Leases-Buildings/Imp	62,000	65,000	3,000	4.84%
7206 Equipment Usage Charge	12,000	12,000	0	0.00%
7303 Private Car Expense	0	1,200	1,200	N/A
7394 Power	5,700,000	4,875,000	(825,000)	(14.47%)
Subtotal Services and Supplies	\$6,144,000	\$5,538,200	(\$605,800)	(9.86%)

OTHER CHARGES

7920 Interest	\$156,750	\$145,354	(\$11,396)	(7.27%)
7930 Interest-L.T. Debt	250,174	269,911	19,737	7.89%
7980 Depreciation	409,100	500,000	90,900	22.22%
Subtotal Other Charges	\$816,024	\$915,265	\$99,241	12.16%

FIXED ASSETS

8510 Buildings/Improvements	\$94,000	\$800,000	706,000	751.06%
Subtotal Fixed Assets	\$94,000	\$800,000	\$706,000	751.06%

SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 687400

Sub-Object No. and Title	Adopted 2009-10	Requested 2010-11	Difference	Percent Change
ADMIN CONTROL				
9200 ENT - Principal	\$264,295	\$275,682	\$11,387	4.31%
9209 ENT - Principal Clearing	(264,295)	(275,682)	(11,387)	4.31%
9210 Advances	550,880	405,169	(145,711)	(26.45%)
9219 Advances - Clearing	(550,880)	(405,169)	145,711	(26.45%)
<i>Subtotal Admin Control</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL EXPENDITURES	\$7,054,024	\$7,253,465	\$199,441	2.83%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$50,216)	(\$576,535)	(\$526,319)	1048.11%

FY 2010-11 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Internal Service Fund

Section Title: Power Resources

Character: Use of Money and Property

Character No.: 687400-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$2,000,000
Projected Interest Rate	<u>1.00%</u>
Projected/Planned Interest on Pooled Cash	\$20,000

4039 Sale-Power

This item records the revenue received from the sale of power to other entities.

4102 Donations/Reimbursements

This item records the reimbursement from PWRPA for the additional solar panel at Sonoma Valley County Sanitation District.

4210 Advances

This item reflects an as needed advance from the SCWA General Fund to acquire electrical power assets and meet debt service payments. This began in FY 07-08 and will continue for 8 years.

4219 Advances - Clearing

This is the clearing account for sub-object 4210.

Character: Services and Supplies

Character No.: 687400-60

6102 Equipment Insurance

PCAS No. TBD

This item records equipment insurance.

6140 Maintenance - Equipment

PCAS No. Various

This item records parts and various supplies necessary to maintain and repair Agency equipment.

6523 District Operations

PCAS No. Various

This item is requested to provide funds to charge salary and benefits for staff.

6570 Consultant Services

PCAS No. TBD

This item is requested to provide funds for outside consultant services for Alternative Energy issues.

6610 Legal Services

PCAS No. Various

This request is for outside legal services.

6840 Rents/Leases - Bldgs/Impr

PCAS No. Various

This item is requested to provide funds for the rental on the land for the photovoltaic system.

7206 Equipment Usage Charge

PCAS No. Various

This item is requested to provide funds for equipment usage.

7303 Private Car Expense

PCAS No. Various

Private Car Expense is reimbursed to employees for the use of their private vehicles.

Character: Services and Supplies (continued) Character No.: 687400-60

7394 Power

PCAS No. TBD

This item includes the costs to purchase power from PG&E and the Power Water Resources Pooling Authority (PWRPA).

Character Title: Other Charges Character No.: 687400-75

7920 Interest

This account reflects the interest payments on the capital leases for the construction of photovoltaic facilities. The amount requested is based on the lease amortization schedules.

7930 Interest-L.T. Debt

This account reflects the interest payments on the advances from other Agency funds for the purchase of photovoltaic facilities. The amount requested is based on the amortization schedules prepared upon acquisition of assets.

7980 Depreciation

Generally Accepted Accounting Principles require that depreciation be expensed each year.

Character Title: Fixed Assets Character No.: 687400-85

8510 Buildings/Improvements

PJ No. TBD

This item is requested to provide appropriations for the photovoltaic project at Sonoma Valley County Sanitation District that will add 80 kw (AC-PTC) of power to the existing 926 kw at the site. With a photovoltaic system rated over 1 megawatt, the California independent System Operators will allow excess energy to be transmitted and sold on the electric grid.

Character Title: Administrative Control Account Character No.: 687400-92

9200 ENT - Principal

This account reflects the principal payments due on the outstanding leases for the construction of photovoltaic facilities at 404 Aviation Blvd and the Airport-Larkfield-Wikiup treatment plant.

The following reflects the principal payment history to date:

Photovoltaic facility at 404 Aviation Blvd-payments began October 2005 and will continue semi-annually until April 2020.

Original Amount of the Loan:	\$2,000,000
Total FY 05-06 through FY 08-09 Principal Payments:	(527,614)
FY 09-10 Principal Payment:	(105,891)
Outstanding Loan Amount	<u>\$1,366,495</u>

Photovoltaic facility at Airport-Larkfield-Wikiup Treatment Plant - payments began April 2006 and will continue semi-annually until October 2020.

Original Amount of the Loan:	\$2,750,000
Total FY 05-06 through FY 08-09 Principal Payments:	(478,005)
FY 09-10 Principal Payment:	(158,399)
Outstanding Loan Amount	<u>\$2,113,596</u>

9209 ENT - Principal Clearing

This is the clearing account for sub-object 9200- Principal.

9210 Advances

This account reflects the principal payments due on the outstanding advances for the acquisition of power assets. Payments are based on the amortization schedules. Final payment for 404 Aviation and ALW were made in FY 09-10.

Photovoltaic facility at Sonoma Valley Treatment Plant - 12 years beginning FY 07-08

Original Amount of the Advance :	\$5,442,922
Total FY 07-08 Payment Through FY 08-09 Principal Payment:	(731,322)
Total FY 09-10 Payment:	<u>(388,845)</u>
Outstanding Loan Amount	4,322,755

9219 Advances - Clearing

This is the clearing account for sub-object 9210 Advances

FY 2010-11 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Internal Service Fund
 Section: Power Resources Fund
 Index No.: 687400

DESCRIPTION OF FUND ACTIVITY	Actual FY 08-09	Estimated FY 09-10	Requested FY 10-11
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance Available for Budgeting (See Detailed Components Below)	\$707,177	\$1,669,628	\$1,217,595
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	6,366,670	6,669,160	7,830,000
Expenditures - (Decrease) fund balance	(4,978,762)	(6,681,937)	(7,253,465)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	1,387,908	(12,777)	576,535
Adjustments to Reserves/Encumbrances:			
Contribution of Fixed Assets	(6,984)	-	-
Principal Payment - Photovoltaic Leases	(253,371)	(264,295)	(275,682)
Change in Capital Lease Payable	(10,918)	(10,923)	-
Change in Advances Payable	(22,194)	(22,202)	-
Change in Encumbrances	(32,390)	-	-
Depreciation	409,044	409,044	500,000
Advance (From the SCWA General Fund/Interest Accrued)	20,162	-	588,441
Capital Interest	(129)	-	-
Advance Payments (SVCSD, ALW, ISF)	(528,678)	(550,880)	(405,169)
Net Adjustment - Increase/(Decrease) to Fund Balance	(\$425,458)	(\$439,256)	\$683,272
Undesignated/Unreserved <u>ENDING</u> Fund Balance Available for Budgeting	\$1,669,628	\$1,217,595	\$2,477,402
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$962,451	(\$452,033)	\$1,259,807
<u>Fund Balance Components at Beginning of FY</u>	7/1/08	7/1/09	
Cash	\$1,133,902	\$1,804,169	
Pre-Paid Expense	438,295	1,490,263	
Accounts Payable	(40,387)	(737,370)	
Interest Payable	(42,582)	(39,882)	
Capital Lease Payable	(253,372)	(264,290)	
Advance Payable	(528,678)	(550,872)	
Encumbrance	-	(32,390)	
Total Beginning Fund Balance	\$707,177	\$1,669,628	