

FY 2015-16 BUDGET
BUDGET SECTION SUMMARY

Section Title:

COUNTY SANITATION DISTRICTS

Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change

OCcidental CSD

Operations	\$1,301,272	\$1,636,565	25.77%	(\$109,117)	\$251,613	(330.59%)
Construction	625,000	600,000	(4.00%)	323,350	360,775	11.57%
TOTAL:	\$1,926,272	\$2,236,565	16.11%	\$214,233	\$612,388	185.85%

RUSSIAN RIVER CSD

Operations	\$5,638,661	\$5,495,998	(2.53%)	\$1,599,662	\$1,281,818	(19.87%)
Bonds	30,553	23,553	(22.91%)	(148,247)	(155,072)	4.60%
Revenue Bonds	30,501	26,001	(14.75%)	(92,100)	(97,275)	5.62%
SRF Loan Reserve	762	813	6.63%	762	813	6.63%
Construction	390,000	230,000	(41.03%)	(275,000)	63,500	(123.09%)
TOTAL:	\$6,090,477	\$5,776,365	(5.16%)	\$1,085,077	\$1,093,783	0.80%

SONOMA VALLEY CSD

Operations	\$18,823,987	\$19,214,100	2.07%	\$3,604,953	\$4,611,891	27.93%
Construction	10,273,630	7,270,000	(29.24%)	5,822,950	4,918,000	(15.54%)
Glen Ellen Bonds	1,703	903	(46.98%)	(16,415)	(17,217)	4.88%
Revenue Bonds	666,995	632,372	(5.19%)	(1,034,182)	(1,043,001)	0.85%
SRF Loan Reserve	0	0	N/A	(36,184)	(36,284)	0.28%
State Loan Reserve	0	0	N/A	(900)	(845)	(6.11%)
SRF Loan	120,798	113,369	(6.15%)	(325,474)	(333,180)	2.37%
Rev Bond Project	0	0	N/A	0	(6,500)	N/A
TOTAL:	\$29,887,113	\$27,230,744	(8.89%)	\$8,014,748	\$8,092,865	0.97%

SOUTH PARK CSD

Operations	\$3,595,119	\$3,919,331	9.02%	\$161,925	\$400,031	147.05%
Revenue Bonds	127,203	122,025	(4.07%)	(146,000)	(141,755)	(2.91%)
Construction	2,773,924	0	(100.00%)	2,239,724	(529,250)	123.63%
TOTAL:	\$6,496,246	\$4,041,356	(37.79%)	\$2,255,649	(\$270,974)	(112.01%)

CSD TOTAL

TOTAL:	\$44,400,108	\$39,285,030	(11.52%)	\$11,569,707	\$9,528,062	(17.65%)
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FY 2015-16 BUDGET BUDGET SECTION SUMMARY

Section Title: OCCIDENTAL COUNTY SANITATION DISTRICT

A. Program Description

This budget finances operation, maintenance, and administration of a collection system, a treatment plant, and disposal facilities which serve the Occidental area.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change
Operations	\$1,301,272	\$1,636,565	25.77%	(\$109,117)	\$251,613	(330.59%)
Construction	625,000	600,000	(4.00%)	323,350	360,775	11.57%
TOTAL:	\$1,926,272	\$2,236,565	16.11%	\$214,233	\$612,388	185.85%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 13-14 Actual	FY 14-15 Budget Estimate	FY 14-15 Revised Estimate	FY 15-16 Projected	Change from FY 14-15 Budget Estimate
Total ESDs	273	273	273	273	0.00%
Total APNs	122	122	122	122	0.00%

E. Summary of Issues and Significant Changes

The requested rate per equivalent single family dwelling for FY 15-16 annual service charges is \$1,998, representing a 5.2% increase from FY 14-15. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 14-15 budget. This revenue change is due to the rate increase.

The Occidental County Sanitation District (Occidental CSD) treatment plant is designed to treat an average daily dry weather flow of up to 50,000 gallons per day to secondary treatment standards. Each year, between October 1 and May 14, treated wastewater from the Occidental CSD can be discharged into Dutch Bill Creek. During the balance of the year, treated wastewater is used for irrigation.

The Occidental CSD is facing very serious financial and operational difficulties. Even though rates for the Occidental CSD are the highest in Sonoma County and represent a significant concern for businesses in the district, the very small rates base results in revenues being insufficient to cover routine operating expenses. Additionally, without capital upgrades of its facilities, the Occidental CSD's ability to comply with the conditions of its operating permit remains in doubt.

For FY 15-16 revenues will once again not cover routine operating expenses. Transfers from the Agency's General Fund will be made to coverage shortage and will be recovered from the Occidental CSD.

The Occidental CSD is pursuing a new project that must be completed by 2018 to comply with a Cease and Desist Order issued to the District by the North Coast Regional Water Quality Board (Regional Board). At this time a range of alternatives are being explored. In addition to complying with the Cease and Desist Order, the compliance project also needs decrease operating costs to levels that can be fully covered by the Occidental CSD's rate base.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: OCCIDENTAL CSD - OPERATIONS
Fund/Department ID: 43101-33060100

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 (1001) Direct Charges-CY	\$485,100	\$510,389	\$25,289	5.21%
40202 (1061) Direct Charges - PY	1,500	1,500	0	0.00%
40999 (1120) Penalties/Costs on Taxes	500	500	0	0.00%
Subtotal Taxes	\$487,100	\$512,389	\$25,289	5.19%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$2,400	\$585	(\$1,815)	(75.63%)
Subtotal Use of Money	\$2,400	\$585	(\$1,815)	(75.63%)
<u>CHARGES FOR SERVICES</u>				
45221 (3400) Sewer/Water Usage Fee	\$20,889	\$21,978	\$1,089	5.21%
Subtotal Charges for Services	\$20,889	\$21,978	\$1,089	5.21%
<u>RESIDUAL EQUITY TRANSFER</u>				
48004 (4880) Residual Equity Transfers	\$900,000	\$850,000	(\$50,000)	(5.56%)
Subtotal Residual Equity Transfer	\$900,000	\$850,000	(\$50,000)	(5.56%)
TOTAL REVENUES	\$1,410,389	\$1,384,952	(\$25,437)	(1.80%)

EXPENDITURES:

SERVICES AND SUPPLIES

51902 (6040) Telecommunication Usage	\$500	\$500	\$0	0.00%
51061 (6140) Maintenance - Equipment	65,000	80,000	15,000	23.08%
51076 (6246) Maint - FACOPS	0	100,000	100,000	N/A
52081 (6262) Medical/Laboratory Supplies	2,500	2,500	0	0.00%
52111 (6461) Office Supplies	2,500	5,000	2,500	100.00%
51241 (6430) Outside Printing & Binding	0	1,000	1,000	N/A
51231 (6512) Testing/Aanalysis	60,000	80,000	20,000	33.33%
51916 (6521) County Services	2,500	3,000	500	20.00%
51917 (6523) District Operations Chgs	480,000	650,000	170,000	35.42%
51803 (6540) Other Contract Services	110,000	180,000	70,000	63.64%
51226 (6570) Consulting Services	10,000	20,000	10,000	100.00%
51201 (6522&73) Administration Services	5,000	4,500	(500)	(10.00%)
51244 (6589) Permits/License/Fees	6,000	7,000	1,000	16.67%
51211 (6610) Legal Services	5,000	5,000	0	0.00%

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
EXPENDITURES:				
<u>SERVICES AND SUPPLIES (Contd.)</u>				
51206 (6630) Accounting/Auditing Servi	10,000	8,000	(2,000)	(20.00%)
51919 (6697) EFS Costs	1,072	25,065	23,993	2238.15%
51401 (6820) Rents& Leases-Equipment	2,000	3,000	1,000	50.00%
51421 (6840) Rents&Leases-Bldg/Imp	25,000	25,000	0	0.00%
52141 (6880) Minor Equipment/Small Tools	1,000	2,000	1,000	100.00%
51921 (7206) Equipment Usage Charges	20,000	24,000	4,000	20.00%
52072 (7212) Chemicals	30,000	20,000	(10,000)	(33.33%)
52171 (7247) Water Conservation Prog	6,200	1,000	(5,200)	(83.87%)
52193 (7394) Utilities-Power	20,000	20,000	0	0.00%
Subtotal Services and Supplies	\$864,272	\$1,266,565	\$402,293	46.55%
<u>OTHER CHARGES</u>				
53402 (7980) Depreciation Expense	\$110,000	\$131,000	\$21,000	19.09%
Subtotal Other Charges	\$110,000	\$131,000	\$21,000	19.09%
<u>FIXED ASSETS</u>				
19820 (8560) Machinery & Equipment	\$25,000	\$2,000	(\$23,000)	(92.00%)
Subtotal Fixed Assets	\$25,000	\$2,000	(\$23,000)	(92.00%)
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$300,000	\$235,000	(\$65,000)	(21.67%)
Subtotal Other Financing Uses	\$300,000	\$235,000	(\$65,000)	(21.67%)
<u>APPROPRIATIONS FOR CONT</u>				
55011 (9000) Appropriations for Contingency	\$2,000	\$2,000	\$0	0.00%
Subtotal Approp for Contingencies	\$2,000	\$2,000	\$0	0.00%
TOTAL EXPENDITURES	\$1,301,272	\$1,636,565	\$335,293	25.77%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$109,117)	\$251,613	\$360,730	(330.59%)

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Occidental CSD - Operations

Character Title: Taxes **Character No.:** 43101-33060100-40

40003 (1001) Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 14-15 budget. The rate will increase 5.2% from \$1899 to \$1998.

ESDs times annual rate:	262 x \$1,998	\$523,476
Less Estimated Delinquency Factor:	2.5%	(13,087)
		\$510,389

(See Account 45221 for Total ESDs)

40202 (1061) Direct Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

40999 (1120) Penalties / Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money **Character No.:** 43101-33060100-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$90,000
Projected Interest Rate	0.65%
	\$585

Character Title: Charges for Services **Character No.:** 43101-33060100-45

45221 (3400) Sewer/Water Usage Fee

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

Based on projected FY 15-16 ESDs, the District will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,783 to \$1,899.

ESDs x Annual Charge	11 x \$1,998	=	\$21,978
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Character Title: Residual Equity Transfer

Character No.: 43101-33060100-48

48004 (4880) Residual Equity Transfers

This account records a transfer from SCWA General Fund to provide funds to operate the treatment plant.

Character Title: Services and Supplies

Character No.: 43101-33060100-51 & 52

51902 (6040) Telecommunication Usage

This account records expenses paid by the Occidental CSD for outside communication and wireless services.

51061 (6140) Maintenance - Equipment

This account records the costs for routine maintenance of equipment.

51076 (6246) Maint - FACOPS

This account records the costs for non-routine maintenance of equipment. The planned project for FY 15/16 is the building lateral replacement.

52081 (6262) Medical/Lab Supplies

This account records the cost of lab supplies required for testing and monitoring wastewater. This item has increased due to additional testing being required by the North Coast Regional Water Quality Control Board.

52111 (6400) Office Supplies

This account records the supplies and expenses associated with operations and maintenance of the District's Facilities.

51241 (6430) Outside Printing & Binding

This item is requested to cover the costs of printing services, which are primarily furnished by the County Reprographics Department.

51231 (6512) Testing and Analysis

This account records expenses incurred to comply with all regulatory testing requirements.

51916 (6521) County Services

This item records the expense for special district accounting services.

51917 (6523) District Operations

This account records the cost of labor and overhead associated with operations and maintenance of the Occidental CD Facilities.

51803 (6540) Other Contract Services

This account reflects the costs for various outside services..

51226 (6570) Consultant Services

This account records the cost of consulting including Permitting & Assistanting.

51201 (6573) Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

51244 (6589) Permits/License/Fees

This account records the cost of all permits.

51211 (6610) Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

51206 (6630) Accounting/Auditing Services

This account represents the cost of accounting and audit services provided by an outside certified public accounting services.

51919 (6697) EFS Costs

This item represents the share of costs for the County's future operating system.

51401 (6820) Rents/Leases-Equipment

Rents and Leases - Equipment covers the costs of renting copiers, fax machines and other equipment as needed.

51421 (6840) Rents/Leases-Buildings/Land

This item is requested to provide funds for the lease agreement for storage and irrigation of wastewater effluent.

52141 (6880) Minor Equipment/Small Tools

This item is requested to provide funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.

51921 (7206) Equipment Usage Charges

This item is requested to provide funds for equipment usage.

52072 (7212) Chemicals

This account records the cost of chemicals required for operation of the treatment plant. The requested amount is considered necessary to meet the discharge requirements of the Occidental CSD NPDES permit, as required by the Regional Water Quality Control Board, as well as to meet requirements imposed by the ACL (including the use of sodium bisulfite and caustic soda).

52171 (7247) Water Conservation Program

This account records the cost of the High Efficiency Fixture Direct Install Program with the goal of inflow reduction and the retrofit of old high water using fixtures.

52193 (7394) Utilities-Power

This account records the cost of utilities such as gas and electricity.

53402 (7980) Depreciation

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

19820 (8560) Machinery & Equipment

This account records cost for equipment over \$5,000, as needed.

57011 (8625) Transfers out-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Construction Fund to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

55011 (9000) Appropriations for Contingencies

This account is normally used to set aside funding for unanticipated expenditures or revenue shortfalls.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Occidental CSD - Operations

Index No.: 43101-33060100

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$439,884	(\$63,579)	\$163,335
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,239,428	1,412,457	1,384,952
Expenditures - (Decrease) retained earnings	(1,748,665)	(1,295,543)	(1,636,565)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(509,237)	116,914	(251,613)
Adjustments to Reserves/Encumbrances:			
53402 (7980) Depreciation	98,436	110,000	131,000
Change in Water Conservation Reserve	1,495	-	-
Change in Encumbrance	(94,157)	-	-
	<hr/>	<hr/>	<hr/>
Net Adjustment - Increase/(Decrease) to Retained Earnings	5,774	110,000	131,000
	<hr/>	<hr/>	<hr/>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	(\$63,579)	\$163,335	\$42,722
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$503,463)	\$226,914	(\$120,613)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$407,329	\$94,481	
Other Receivables (Flat Charges)	159,885	163,451	
Reserve for Water Conservation	(52,844)	(51,349)	
Retention Payable	(84)	(121)	
Encumbrances	(71,080)	(165,237)	
Accounts Payable	-	(104,805)	
Vouchers Payable	(3,322)	-	
	<hr/>	<hr/>	
Total Beginning Retained Earnings	\$439,884	(\$63,580)	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: OCCIDENTAL CSD -CONSTRUCTION
Fund/Department ID: 43102-33060200

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$1,650	\$4,225	\$2,575	156.06%
Subtotal Use of Money	\$1,650	\$4,225	\$2,575	156.06%
<u>MISCELLANEOUS REVENUE</u>				
46021 (4304) Capital Grants-Federal	\$0	\$0	\$0	N/A
46022 (4303) Capital Grants-State	0	0	0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
47101 (4625) Transfers In -within a Fund	\$300,000	\$235,000	(\$65,000)	(21.67%)
Subtotal Other Financing Sources	\$300,000	\$235,000	(\$65,000)	(21.67%)
<u>RESIDUAL EQUITY TRANSFER</u>				
48004 (4880) Residual Equity Transfers	\$0	\$0	\$0	N/A
Subtotal Residual Equity Transfer	\$0	\$0	\$0	N/A
AL REVENUES	\$301,650	\$239,225	(\$62,425)	(20.69%)
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19831 (8510) CIP - Bldg & Impr	\$25,000	\$0	(\$25,000)	(100.00%)
19832 (9400) CIP - Infrastructure	600,000	600,000	0	0.00%
Subtotal Fixed Assets	\$625,000	\$600,000	(\$25,000)	(4.00%)
EXPENDITURES	\$625,000	\$600,000	(\$25,000)	(4.00%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$323,350	\$360,775	\$37,425	11.57%

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Occidental CSD - Construction

Character Title: Use of Money **Character No.:** 43102-33060200-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$650,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$4,225

Character Title: Miscellaneous Revenue **Character No.:** 43102-33060200-46

46022 (4303) Capital Grants-State

No State Grants are anticipated for FY 15-16.

46021 (4304) Capital Grants-Federal

No Federal Grants are anticipated for FY 15-16.

Character Title: Other Financing Sources **Character No.:** 43102-33060200-47

47101 (4625) Transfers in-within a Fund

This account records the transfer of cash from the Operation Fund to the Construction Fund to finance Buildings/Improvements for FY 15-16.

Character Title: Residual Equity Transfer **Character No.:** 43102-33060200-48

48004 (4880) Residual Equity Transfers

This account records a transfer from SCWA General Fund to provide funds for capital projects. No transfer is anticipated in FY 15-16.

Character Title: Fixed Assets **Character No.:** 43102-33060200-19

19832 (9400) CIP-Infrastructure

This account is used for expenses associated with facility improvements or expansion. The following project are planned for FY 15-16:

NPDES Permit Compliance	Order # TBD	\$600,000
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This project will implement infrastructure improvements necessary to comply with District's NPDES permit. The requested amount will fund design efforts.

FY 2015-16 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Occidental CSD - Construction
Index No.: 43102-33060200

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$108,653	\$587,864	\$366,492
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	\$600,724	303,628	239,225
Expenditures - (Decrease) retained earnings	(1,428,229)	(525,000)	(600,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(827,505)	(221,372)	(360,775)
Adjustments to Reserves/Encumbrances:			
Change in Encumbrance	11,002	-	-
Loss on Disposal of Asset	1,295,714	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	1,306,716	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$587,864	\$366,492	\$5,717
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$479,211	(\$221,372)	(\$360,775)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$275,036	\$659,627	
Due from Other Government	-	-	
Vouchers Payable	(98,357)	(14,239)	
Encumbrances	(68,526)	(57,524)	
Deposit with Others	500	-	
Total Beginning Retained Earnings	\$108,653	\$587,864	

FY 2015-16 BUDGET BUDGET SECTION SUMMARY

Section Title:

RUSSIAN RIVER COUNTY SANITATION DISTRICT
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A. Program Description

This budget finances operation, maintenance, and administration of a collection system, pumping stations, a treatment plant, and disposal facilities which serve the Russian River area.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change
Operations	\$5,638,661	\$5,495,998	(2.53%)	\$1,599,662	\$1,281,818	(19.87%)
Bonds	30,553	23,553	(22.91%)	(148,247)	(155,072)	4.60%
Revenue Bonds	30,501	26,001	(14.75%)	(92,100)	(97,275)	5.62%
State Loan Reserve	762	813	6.63%	762	813	6.63%
Construction	390,000	230,000	(41.03%)	(275,000)	63,500	(123.09%)
TOTAL:	\$6,090,477	\$5,776,365	(5.16%)	\$1,085,077	\$1,093,783	0.80%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 13-14 Actual	FY 14-15 Budget Estimate	FY 14-15 Revised Estimate	FY 15-16 Projected	Change from FY 14-15 Budget Estimate
TOTAL ESDs	3,200	3,200	3,199	3,199	(0.03%)
TOTAL APNs	3,276	3,276	3,277	3,277	0.03%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 15-16 annual service charges is \$1,355, representing a 4.5% increase from FY 14-15. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 14-15 budget. This revenue change is primarily due to the rate increase.

The Russian River County Sanitation District (Russian River CSD) treatment plant was completed in September 1980 and began operating in 1982. The Russian River CSD treatment plant was recently upgraded to increase the capacity to treat wastewater flows during flood conditions in the Russian River CSD service area.

The requested rates should provide the funds necessary to operate and maintain the Russian River CSD's collection system, treatment plant, and reclamation system. In addition to the funds needed for the ongoing operation of wastewater treatment and disposal facilities, funds are necessary for the replacement of aging infrastructure. In 2014, the main pipeline that feeds wastewater to the treatment plant ruptured. This event along with a natural hazard assessment completed for the district in 2014 identified the need to upgrade significant portions of the collection system that are located in unstable soils and that could fail during a large earthquake. Addressing this collection system vulnerability will take on the order of 20 years to complete. Rate increases over the rate of inflation will be needed for several years to generate funding for these projects.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: RUSSIAN RIVER CSD - OPERATIONS
Fund/Department ID: 43201-33070100

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 (1001) Direct Charges-CY	\$3,869,677	\$4,041,450	\$171,773	4.44%
40202 (1061) Direct Charges-PY	\$107,000	\$109,000	2,000	1.87%
40999 (1120) Penalties/Costs on Taxes	19,000	22,000	3,000	15.79%
Subtotal Taxes	\$3,995,677	\$4,172,450	\$176,773	4.42%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$9,600	\$6,500	(\$3,100)	(32.29%)
Subtotal Use of Money	\$9,600	\$6,500	(\$3,100)	(32.29%)
<u>CHARGES FOR SERVICES</u>				
45221 (3400) Sewer/Water Usage Fee	\$33,722	\$35,230	\$1,508	4.47%
Subtotal Charges for Services	\$33,722	\$35,230	\$1,508	4.47%
<u>ADMINISTRATIVE CONTROL</u>				
49002 (4210) Advances	\$0	\$0	\$0	N/A
49003 (4219) Advances Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$4,038,999	\$4,214,180	\$175,181	4.34%

EXPENDITURES:

SERVICES AND SUPPLIES

51902 (6040) Telecommunication Usage	\$10,000	\$10,000	\$0	0.00%
51032 (6085) Janitorial Services	1,000	3,000	2,000	200.00%
51061 (6140) Maintenance - Equipment	180,000	200,000	20,000	11.11%
52081 (6262) Medical/Laboratory Supplies	11,000	8,000	(3,000)	(27.27%)
51241 (6430) Outside Printing & Binding	5,000	5,000	0	0.00%
52111 (6461) Office Supplies	10,000	13,500	3,500	35.00%
52117 (6410) Mail and Postage Supplies	0	3,000	3,000	N/A
51231 (6512) Testing/Analysis	250,000	300,000	50,000	20.00%
51209 (6516) Info Tech Svs (NonISD)	2,000	1,000	(1,000)	(50.00%)
51916 (6521) County Services	13,000	14,000	1,000	7.69%
51917 (6523) District Operations Chgs	2,200,000	2,200,000	0	0.00%
51803 (6540) Other Contract Services	85,000	160,000	75,000	88.24%
51226 (6570) Consulting Services	99,605	114,500	14,895	14.95%
51201 (6522&73) Administration Services	33,000	35,000	2,000	6.06%
51244 (6589) Permits/License/Fees	14,000	15,000	1,000	7.14%

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<u>SERVICES AND SUPPLIES (cont'd)</u>				
51211 (6610) Legal Services	6,000	8,000	2,000	33.33%
51206 (6630) Accounting/Auditing Servi	15,000	10,000	(5,000)	(33.33%)
51919 (6697) EFS Costs	3,607	67,454	63,847	1770.09%
51401 (6820) Rents& Leases-Equipment	5,000	7,000	2,000	40.00%
52141 (6880) Minor Equipment/Small Tools	10,000	16,000	6,000	60.00%
52143 (6889) Software/Licensing Fees	3,000	3,000	0	0.00%
52142 (6890) Computer Equip/Assscessories	2,000	2,000	0	0.00%
52162 (7022) Special Departmental Expense	2,000	1,000	(1,000)	(50.00%)
52061 (7201) Fuel/Gas/Oil	6,000	1,000	(5,000)	(1)
51921 (7206) Equipment Usage Charges	120,000	165,000	45,000	37.50%
52072 (7212) Chemicals	8,000	5,000	(3,000)	(37.50%)
52171 (7247) Water Conservation Prog	93,000	2,000	(91,000)	(97.85%)
52191 (7320) Utilities	2,000	2,000	0	0.00%
52193 (7394) Utilities-Power	200,000	200,000	0	0.00%
Subtotal Services and Supplies	\$3,389,212	\$3,571,454	\$182,242	5.38%
<u>OTHER CHARGES</u>				
53103 (7930) Interest on LT Debt	\$103,948	\$97,269	(\$6,679)	(6.43%)
53402 (7980) Depreciation Expense	1,330,000	1,466,274	136,274	10.25%
Subtotal Other Charges	\$1,433,948	\$1,563,543	\$129,595	9.04%
<u>FIXED ASSETS</u>				
19820 (8560) Machinery & Equipment	\$15,000	\$40,000	\$25,000	166.67%
19851 (9480) Intangible Assets - Non-amort	5,000	5,000	0	0.00%
Subtotal Fixed Assets	\$20,000	\$45,000	\$25,000	125.00%
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$770,501	\$281,001	(\$489,500)	(63.53%)
Subtotal Other Financing Uses	\$770,501	\$281,001	(\$489,500)	(63.53%)
<u>APPROPRIATIONS FOR CONT</u>				
55011 (9000) Appropriations for Contingency	\$25,000	\$25,000	\$0	0.00%
Subtotal Approp for Contingencies	\$25,000	\$25,000	\$0	0.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 (9210) Advances	\$264,121	\$270,801	\$6,680	2.53%
59003 (9219) Advances Clearing	(264,121)	(270,801)	(6,680)	2.53%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$5,638,661	\$5,485,998	(\$152,663)	(2.71%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$1,599,662	\$1,271,818	(\$327,844)	(20.49%)

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Russian River CSD - Operations

Character Title: Taxes **Character No.:** 43201-33070100-40

40003 (1001) Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 14-15 budget. The rate will increase 4.5%, from \$1,297 to \$1,355.

ESDs times annual rate:	3,173 x \$1,355	\$4,299,415
Less Estimated Delinquency Factor:	6%	(257,965)
		\$4,041,450

(See Account 45221 for Total ESDs)

40200 (1061) Direct Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

40999 (1120) Penalties/Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money **Character No.:** 43201-33070100-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$6,500

Character Title: Charges for Services **Character No.:** 43201-33070100-45

45221 (3400) Sanitation Services

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

Based on projected FY 15-16 ESDs, the District will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,253 to \$1,297.

ESDs x Annual Charge	26 x \$1,355	=	\$35,230
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Character Title: Administrative Control Account

Character No.: 43201-33070100-49

49002 (4210) Advances

No advances are anticipated for FY 15-16.

49003 (4219) Advances - Clearing

This is the clearing account for account 49002.

Character Title: Services and Supplies

Character No.: 43201-33070100-51 & 52

51902 (6040) Telecommunications Usage

This account records expenses paid by the District for outside communication and wireless services.

51032 (6085) Janitorial Services

This item is requested to provide funds for custodial services.

51061 (6140) Maintenance - Equipment

This account records the costs for routine maintenance of equipment.

52081 (6262) Medical/Laboratory Supplies

This account records the cost of lab supplies required for testing and monitoring wastewater.

51241 (6430) Outside Printing & Binding

This item is requested to cover the costs of printing services, which are primarily furnished by the County Reprographics Department.

52111 (6400) Office Supplies

Supplies/Expenses covers the costs of operational supplies used by the District.

51231 (6512) Testing/Analysis

This account records expenses incurred to comply with all regulatory testing requirements.

51209 (6516) Info Tech Services (Non ISD)

This request covers the costs of various data processing supplies and services.

51916 (6521) County Services

This item records the expense for special district accounting services.

51917 (6523) District Operations

This account records the cost of labor and overhead associated with operations and maintenance of the District's facilities.

51803 (6540) Other Contract Services

This account reflects the costs for various outside services, primarily sludge hauling and disposal.

51226 (6570) Consultant Services

This account records the costs of services provided by outside consultants including agreement for cost required in permitting, regulatory and collection system modeling (\$75,000), Switchboard and Transformer PM (\$24,500) and Arch Flash Study (\$15,000).

51201 (6573) Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

51244 (6589) Permit/License/Fees

This account records the cost of all permits.

51211 (6610) Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

51206 (6630) Accounting/Auditing Services

This account represents the cost of accounting and audit services provided by an outside certified public accounting service.

51919 (6697) EFS Costs

This item represents the share of costs for the County's future operating system.

51401 (6820) Rents & Leases - Equipment

Rents and Leases - Equipment covers the costs of renting copiers, fax machines and other equipment as needed.

52141 (6880) Minor Equipment/Small Tools

This item is requested to provide funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.

52143 (6889) Software/Licensing Fees

This item provides funds for various software packages.

52142 (6890) Computer Equipment/Accessories

This item covers the cost of computer hardware, as needed.

52162 (7022) Special Departmental Expense

Public Relations Expense includes the costs of special meetings.

52061 (7201) Fuel/Gas/Oil

This item include the costs of gas, diesel and oil.

51921 (7206) Equipment Usage Charges

This item is requested to provide funds for equipment usage.

52072 (7212) Chemicals

This account records the cost of chemicals required for operation of the treatment plant in accordance with the Russian River CSD NPDES permit, as required by the Regional Water Quality Control Board.

52171 (7247) Water Conservation Program

This account records the cost of the High Efficiency Fixture Direct Install Program with the goal of inflow reduction and the retrofit of old high water using fixtures.

52191 (7320) Utilities

This account records the cost of utilities such as water.

52193 (7394) Utilities-Power

This account records the cost of utilities such as gas and electricity.

Character Title: Other Charges **Character No.:** 43201-33070100-53

53103 (7930) Interest on LT Debt

This account reflects the interest expense for the State Revolving Loans for the Disinfection Upgrade and Third Unit Process Project.

53402 (7980) Depreciation Expense

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

Character Title: Fixed Assets **Character No.:** 43201-33070100-19

19820 (8560) Equipment

This account records cost for equipment over \$5,000, as needed.

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

Character Title: Other Financing Uses **Character No.:** 43201-33070100-57

57011 (8625) Transfers out-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Revenue Bond Fund to cover principal and interest payments, as well as to the Construction Fund to finance the Capital Replacement Program and Wastewater Capital Reserve fund required by the State Revolving Fund loan received February 2004. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer to the Construction Fund will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Transfer to Revenue Bond Fund	\$121,001
Transfer to Construction Fund	160,000
	<hr/>
Total Operating Transfer	\$281,001

Transfers to the Construction Fund to Finance the Wastewater Capital Reserve Fund began in FY 04-05 and completed in FY 13-14.

Character Title: Appropriations for Contingencies **Character No.:** 43201-33070100-55

55011 (9000) Appropriations for Contingency

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Administrative Control Account **Character No.:** 43201-33070100-59

59002 (9210) Advances

This account reflects the principal payment for the State Revolving Loan for the Third Unit Processes Project. Payments on the loan will continue until FY 26-27.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$3,800,969
Total FY 05-06 through FY 13-14 Principal Payment:	(1,479,938)
FY 14-15 Principal Payment:	<hr/> (185,929)
Outstanding Loan Amount	\$2,135,102

This account reflects the principal payment for the anticipated State Revolving Loan for the Disinfection Basin Project original Loan is for \$3,884,450 with a forgiveness of \$1,942,225. Payments will continue until FY 34-35.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$1,942,225
Total FY 12-13 through FY 13-14 Principal Payment:	(99,873)
FY 14-15 Principal Payment:	<hr/> (78,192)
Outstanding Loan Amount	\$1,842,352

59003 (9219) Advances - Clearing

This is the clearing account for account 59002, Advances.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Russian River CSD - Operations
Index No.: 43201-33070100

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,440,257	\$472,615	\$268,960
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	4,051,292	4,111,485	4,214,180
Expenditures - (Decrease) retained earnings	(5,785,432)	(5,383,019)	(5,495,998)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,734,140)	(1,271,534)	(1,281,818)
Adjustments to Reserves/Encumbrances:			
53402 (7980) Depreciation	1,330,911	1,332,000	1,466,274
49002 (4210) Proceeds from LT Debt	-	-	-
59002 (9210) Advances	(257,603)	(264,121)	(270,801)
Change in Matured Principal	(150,678)	-	-
Capitalized Interest	72,081	-	-
Capital Contribution-Dedicated Sewer Lateral	(12,000)	-	-
Net Change in Encumbrance	(216,212)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	766,499	1,067,879	1,195,473
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$472,615	\$268,960	\$182,615
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$967,642)	(\$203,655)	(\$86,345)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$1,626,776	\$1,034,806	
Other Receivables (Flat Charges)	569,890	535,495	
Accounts Payable	(23,646)	(73,124)	
Due to Other Governments	(257,603)	(336,200)	
Contract Retention Payable	(84)	(121)	
Interest Payable	(46,461)	(43,415)	
Encumbrances (Contract)	(428,614)	(644,826)	
Total Beginning Retained Earnings	\$1,440,257	\$472,615	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: RUSSIAN RIVER CSD - REVENUE BONDS
Fund/Department ID: 43203-33070400

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 (1700) Interest on Pooled Cash	\$2,100	\$2,275	\$175	8.33%
Subtotal Use of Money	\$2,100	\$2,275	\$175	8.33%
OTHER FINANCING SOURCES				
47101 (4625) Transfers In -within a Fund	\$120,501	\$121,001	\$500	0.41%
Subtotal Other Financing Sources	\$120,501	\$121,001	\$500	0.41%
TOTAL REVENUES	\$122,601	\$123,276	\$675	0.55%
EXPENDITURES:				
OTHER CHARGES				
53103 (7920&7972) Interest on LT Debt	\$30,501	\$26,001	(\$4,500)	(14.75%)
Subtotal Other Charges	\$30,501	\$26,001	(\$4,500)	(14.75%)
ADMINISTRATIVE CONTROL ACCOUNT				
59004 (9200) Admin Control Acct	\$90,000	\$95,000	\$5,000	5.56%
59005 (9209) Admin Control Acct-Clearing	(90,000)	(95,000)	(5,000)	5.56%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$30,501	\$26,001	(\$4,500)	(14.75%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$92,100)	(\$97,275)	(\$5,175)	5.62%

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Russian River CSD - Revenue Bonds

Character Title: Use of Money **Character No.:** 43203-33070400-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$350,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$2,275

Character Title: Other Financing Sources **Character No.:** 43203-33070400-47

47101 (4625) Transfers in-within a Fund

The revenues supporting the revenue bond are collected in the Operations Fund. This account reflects the transfer of cash from Operations Fund to the Revenue Bond Fund to cover the annual principal and interest payment.

Character Title: Other Charges **Character No.:** 43203-33070400-53

43103 (7920) Interest on LT Debt

This account reflects the interest expense on the outstanding revenue bonds. The interest rate is 5.0%. Payments began April 1, 1982 and will continue semi-annually until April 1, 2020. The FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

Character Title: Administrative Control Account **Character No.:** 43203-33070400

59004 (9200) Admin Control Acct

This account reflects the principal payment for the revenue bonds that were issued in 1981. Payments on the bonds will continue until April 1, 2020. The FY 14-15 request is based on the bond amortization schedule prepared at the time the bonds were sold. Payments on the bond will continue until FY 19-20.

The following reflects the bond principal payment history to date:

Original Amount of the Revenue Bond Issue:	\$2,000,000
Total FY 82-83 through FY 13-14 Principal Payments:	(1,390,000)
FY 14-15 Principal Payment:	(90,000)
Outstanding Bond Amount	\$520,000

59005 (9209) Admin Control Acct - Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Russian River CSD - Revenue Bonds
Index No.: 43203-33070400

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$279,562	\$278,388	\$281,232
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	\$122,514	123,345	123,276
Expenditures - (Decrease) retained earnings	(\$33,688)	(30,501)	(26,001)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	88,826	92,844	97,275
Adjustments to Reserves/Encumbrances:			
Matured Bond Payable	(5,000)	-	-
59004 (9200) Admin Control Acct	(85,000)	(90,000)	(95,000)
	<hr/>	<hr/>	<hr/>
Net Adjustment - Increase/(Decrease) to Retained Earnings	(90,000)	(90,000)	(95,000)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$278,388	\$281,232	\$283,507
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$1,174)	\$2,844	\$2,275
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$373,249	\$376,013	
Interest Payable	(8,688)	(7,625)	
Revenue Bonds Payable	(85,000)	(90,000)	
	<hr/>	<hr/>	
Total Beginning Retained Earnings	\$279,562	\$278,388	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: RUSSIAN RIVER CSD - BONDS
Fund/Department ID: 43204-33070300

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40002 (1000) Prop Tax - CY, Secured	\$175,000	\$175,000	\$0	0.00%
40111 (1020) Supplemental Prop Taxes - CY	1,500	1,500	0	0.00%
40101 (1040) Prop Taxes - CY, Unsecured	500	500	0	0.00%
Subtotal Taxes	\$177,000	\$177,000	\$0	0.00%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$1,800	\$1,625	(\$175)	(9.72%)
Subtotal Use of Money	\$1,800	\$1,625	(\$175)	(9.72%)
TOTAL REVENUES	\$178,800	\$178,625	(\$175)	(0.10%)

EXPENDITURES:

<u>SERVICES AND SUPPLIES</u>				
51242 (6635) Bank Charges	\$52	\$52	\$0	0.00%
Subtotal Services and Supplies	\$52	\$52	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 (7920&7972) Interest on LT Debt	\$30,501	\$23,501	(\$7,000)	(22.95%)
Subtotal Other Charges	\$30,501	\$23,501	(\$7,000)	(22.95%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 (9200) Admin Control Acct	\$140,000	\$150,000	\$10,000	7.14%
59005 (9209) Admin Control Acct-Clearing	(140,000)	(150,000)	(10,000)	7.14%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$30,553	\$23,553	(\$7,000)	(22.91%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$148,247)	(\$155,072)	(\$6,825)	4.60%

FY 2015-16 BUDGET

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Russian River CSD - Bonds

Character Title: Taxes Character No.: 43204-33070300-40

40002 (1000) Prop Taxes - CY Secured

The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

40111 (1020) Prop Taxes - CY Supplemental

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

40101 (1040) Prop Taxes - CY Unsecured

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

Note: The FY 15-16 bond payment amount (principal and interest) is \$173,553. To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained in this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

Character Title: Use of Money Character No.: 43203-33070400-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$250,000
Projected Interest Rate	<u>0.65%</u>
Projected/Planned Interest on Pooled Cash	\$1,625

Character Title: Services and Supplies Character No.: 43203-33070400-51

51242 (6635) Bank Charges

This account records the fee collected by the County Treasurer for acting as the fiscal agent.

Character Title: Other Charges

Character No.: 43203-33070400-53

53103 (7920) Interest on LT Debt

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5.0%. Payments began July 1, 1980 and will continue semi-annually until July 1, 2018. The FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

Character Title: Administrative Control Account

Character No.: 43203-33070400-59

59004 (9200) Admin Control Acct

This account reflects the principal expense for general obligation bonds that were issued in 1979 to finance the local share of a wastewater collection system. Payments on the bonds will continue until July 1, 2018. The FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original amount of the General Obligation Bond Issue:	\$2,900,000
Total FY 80-81 through FY 13-14 Principal Payments:	(2,290,000)
FY 14-15 Principal Payment:	<u>(140,000)</u>
Outstanding Bond Amount	\$470,000

59005 (9209) Admin Control Acct - Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Russian River CSD - Bonds
Index No.: 43204-33070300

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$318,384	\$269,495	\$277,494
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	123,361	178,552	178,625
Expenditures - (Decrease) retained earnings	(37,250)	(30,553)	(23,553)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	86,111	147,999	155,072
Adjustments to Reserves/Encumbrances:			
59004 (9200) Admin Control Acct	(135,000)	(140,000)	(150,000)
	<hr/>	<hr/>	<hr/>
Net Adjustment - Increase/(Decrease) to Retained Earnings	(135,000)	(140,000)	(150,000)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$269,495	\$277,494	\$282,566
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$48,889)	\$7,999	\$5,072
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$318,384	\$269,495	
	<hr/>	<hr/>	
Total Beginning Retained Earnings	\$318,384	\$269,495	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: RUSSIAN RIVER CSD - CONSTRUCTION

Fund/Department ID: 43202-33070200

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$15,000	\$6,500	(\$8,500)	(56.67%)
Subtotal Use of Money	\$15,000	\$6,500	(\$8,500)	(56.67%)
<u>ADMINISTRATIVE CONTROL</u>				
49004 (4200) Admin Control Acct	\$0	\$0	\$0	N/A
49005 (4209) Admin Control Acct - Clearing	0	\$0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
47101 (4625) Transfers in-within a Fund	\$650,000	\$160,000	(\$490,000)	(75.38%)
Subtotal Other Financing Sources	\$650,000	\$160,000	(\$490,000)	(75.38%)
TOTAL REVENUES	\$665,000	\$166,500	(\$498,500)	(74.96%)

EXPENDITURES:

OTHER CHARGES

53103 (7930) Interest on LT Debt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A

FIXED ASSETS

19831 (8510) CIP - Bldg & Impr	\$100,000	\$0	(\$100,000)	(100.00%)
19832 (9400) CIP - Infrastructure	290,000	230,000	(60,000)	(20.69%)
Subtotal Fixed Assets	\$390,000	\$230,000	(\$160,000)	(41.03%)

ADMINISTRATIVE CONTROL ACCOUNT

59002 (9210) Advances	\$0	\$0	\$0	N/A
59003 (9219) Advances - Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$390,000	\$230,000	(\$160,000)	(41.03%)
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$275,000)	\$63,500	\$338,500	(123.09%)
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FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Russian River CSD - Construction

Character Title: Use of Money **Character No.:** 43202-33070200-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$6,500

Character Title: Administrative Control Account **Character No.:** 43202-33070200-49

49004 (4200) Admin Control Acct

No funds will be budgeted for FY 15-16.

49005 (4209) Admin Control Acct - Clearing

No funds will be budgeted for FY 15-16.

Character Title: Other Financing Sources **Character No.:** 43202-33070200-47

47101 (4625) Transfers In - within a Fund

This account reflects the transfer of cash from the Operations Fund to the Construction Fund to finance the Capital Replacement Program (\$420,000). This transfer also includes the annual contribution to the Wastewater Capital Reserve Fund required by the State Revolving Fund loan received in February 2004. The amount added to the Capital Reserve Fund each year is \$20,500 (.5% of the final loan amount of approximately \$4,100,000). This transfer will occur each year during the first 10 years of the loan. Interest earned on the Reserve Fund shall remain in the fund. The schedule for transfers to the Reserve Fund is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Balance</u>
04-05	\$20,500	\$20,500
05-06	20,500	41,000
06-07	20,500	61,500
07-08	20,500	82,000
08-09	20,500	102,500
09-10	20,500	123,000
10-11	20,500	143,500
11-12	20,500	164,000
12-13	20,500	184,500
13-14	20,500	205,000

47101 (4625) Transfers In - within a Fund (Continued)

Funds held in the Reserve Fund may be used for capital improvements. If used, the District must replace the expended funds at a rate of 10 percent per year. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer to the Construction Fund will be limited to the amount required for the Wastewater Capital Reserve Fund. Any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

NOTE; In order to comply with the State Revolving Fund loan requirements, the ending fund balance of the RRCSD Construction Fund shall not fall below the required balance for the Wastewater Capital Reserve Fund in any given year during the 20 year term of the loan.

The amount requested will allow the purchase of land required for irrigation.

19832 (9400) CIP- Infrastructure

This account is used for expenses associated with facility improvements or expansion.

The following projects are planned for FY 15-16:

	Order No.	Amount
<u>Irrigation Expansion</u>	7027	\$30,000
This project will expand the irrigation system to enhance system reliability and permit compliance. This requested amount is intended to fund planning design efforts.		
<u>Collection System Improvements</u>	TBD	100,000
<u>Miscellaneous Capital Improvements</u>	TBD	100,000
	Total	<u><u>\$230,000</u></u>

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Russian River CSD - Construction
Index No.: 43202-33070200

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$2,486,826	\$35,298	\$302,609
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	477,546	657,311	166,500
Expenditures - (Decrease) retained earnings	(2,868,288)	(390,000)	(230,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>(2,390,742)</u>	<u>267,311</u>	<u>(63,500)</u>
Adjustments to Reserves/Encumbrances:			
Capitalized Interest	(61,984)	-	-
Restricted for Wastewater Capital Reserve	(16,724)	-	-
Change in Encumbrances	(575,039)	-	-
Loss on Diposal of Asset	594,904		
Adjustment Ordinance 39 Receivable	(1,944)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>(60,787)</u>	<u>-</u>	<u>-</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings	<u><u>\$35,298</u></u>	<u><u>\$302,609</u></u>	<u><u>\$239,109</u></u>
Available for Budgeting	\$35,298	\$302,609	\$239,109
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$2,451,528)	\$267,311	(\$63,500)
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/13</u>	<u>7/1/14</u>	
Cash	\$2,805,686	\$1,102,771	
Other Receivables	5,213	2,218	
Accounts Payable	(10,265)	(74,004)	
Wastewater Capital Reserve Fund	(196,952)	(213,676)	
Due to Other Government	-	(90,116)	
Encumbrances (Contract)	(116,856)	(691,895)	
Total Beginning Retained Earnings	<u>\$2,486,826</u>	<u>\$35,298</u>	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: **RUSSIAN RIVER CSD - STATE LOAN RESERVE**
Fund/Department ID: **43206-33070500**

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$762	\$813	\$51	6.63%
<i>Subtotal Use of Money</i>	<u>\$762</u>	<u>\$813</u>	<u>\$51</u>	<u>6.63%</u>
<u>OTHER FINANCING SOURCES</u>				
47101 (4625) Transfers In-within a Fund	\$0	\$0	\$0	N/A
<i>Subtotal Other Financing Sources</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL REVENUES	<u>\$762</u>	<u>\$813</u>	<u>\$51</u>	<u>6.63%</u>

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Russian River CSD - State Loan Reserve

Character Title: Use of Money

Character No.: 43206-33070500-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$125,000
Projected Interest Rate	<u>0.65%</u>
Projected/Planned Interest on Pooled Cash	\$813

Character Title: Other Financing Sources

Character No.: 43206-33070500-47

47101 (4625) Transfers In-within a Fund

This Reserve Fund is established in order to comply with the State Revolving Fund loan requirement to have reserves equal to one year's debt service (\$127,000). This requirement has been met and no further transfers are necessary.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: **Sonoma County Water Agency - Sanitation**
Section: **Russian River CSD - State Loan Reserve**
Index No.: **43206-33070500**

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$0
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	758	744	812
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>758</u>	<u>744</u>	<u>812</u>
Adjustments to Reserves/Encumbrances:			
Change in Reserve	<u>(758)</u>	<u>(744)</u>	<u>(812)</u>
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>(758)</u>	<u>(744)</u>	<u>(812)</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$0	(\$1)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$0	\$0	(\$1)
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/13</u>	<u>7/1/14</u>	
Cash	\$128,195	\$128,953	
Reserve for Debt	<u>(128,195)</u>	<u>(128,953)</u>	
Total Beginning Fund Balance	\$0	\$0	

FY 2015-16 BUDGET BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

A. Program Description

This budget finances operation, maintenance, and administration of a collection system, pumping stations, a treatment plant, and disposal facilities which serve the Sonoma Valley County Sanitation District (Sonoma Valley CSD). The District includes the City of Sonoma, as well as the communities of Boyes Hot Springs, Agua Caliente, El Verano and Glen Ellen. The Sonoma Developmental Center is outside the District, but is under an agreement with the District.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change
Operations	\$18,823,987	\$19,214,100	2.07%	\$3,604,953	\$4,611,891	27.93%
Construction	10,273,630	7,270,000	(29.24%)	5,822,950	4,918,000	(15.54%)
Glen Ellen Bonds	1,703	903	(46.98%)	(16,415)	(17,217)	4.88%
Revenue Bonds	666,995	632,372	(5.19%)	(1,034,182)	(1,043,001)	0.85%
SRF Loan Reserve	0	0	N/A	(36,184)	(36,284)	0.28%
State Loan Reserve	0	0	N/A	(900)	(845)	(6.11%)
SRF Loan	120,798	113,369	(6.15%)	(325,474)	(333,180)	2.37%
Rev Bond Project	0	0	N/A	0	(6,500)	N/A
TOTAL:	\$29,887,113	\$27,230,744	(8.89%)	\$8,014,748	\$8,092,865	0.97%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 13-14 Actual	FY 14-15 Budget Estimate	FY 14-15 Revised Estimate	FY 15-16 Projected	Change from FY 14-15 Budget Estimate
TOTAL ESDs	17,329	17,329	17,329	17,329	0.00%
TOTAL APNs	11,497	11,497	11,496	11,496	(0.01%)

E. Summary of Issues and Significant Changes

The Sonoma Valley County Sanitation District (District) provides sewage collection, treatment, and disposal service to the Sonoma Valley area. Wastewater is collected primarily by a gravity system and flows to the District's wastewater treatment plant for processing. Recycled water is used to irrigate local crops during the summer and is discharged to San Pablo Bay via Schell Slough during the winter. The District's treatment plant is permitted to treat an average daily dry weather flow of up to 3.0 million gallons per day to tertiary standards. Waste Discharge Requirements, Order No. R2-2008-0090 (NPDES Permit No. CA0037800), was issued on October 8, 2008 by the California Regional Water Quality Control Board, San Francisco Bay Region (SFBRWQCB) for Sonoma Valley CSD's treatment plant.

Most of Sonoma Valley CSD's collection system is several decades old and is in need of replacement. In 2015, The District received A Cease and Desist Order from the Regional Board that establishes a timeline for completing several collection improvement projects needed to reduce wet weather overflows. Compliance with this order will require significant investments in the collection system. The Sonoma Valley CSD will continue to increase rates over and above the rate of inflation to generate funds for replacing the collection system.

FY 15-16 annual service charges for residential customers with a water account at either City of Sonoma or Valley of the Moon Water District are charged a variable rate based on water usage. Annual Service charge rates are proposed to increase 4.5% for FY 15-16.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - OPERATIONS
Fund/Department ID: 43301-33080100

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 (1001) Direct Charges-CY	\$12,496,325	\$13,234,389	\$738,064	5.91%
40202 (1061) Direct Charges - PY	150,000	160,000	10,000	6.67%
40999 (1120) Penalties/Costs on Taxes	30,000	33,000	3,000	10.00%
Subtotal Taxes	\$12,676,325	\$13,427,389	\$751,064	5.92%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$6,600	\$11,700	\$5,100	77.27%
44003 (1701) Other Interest Earnings	109,029	88,980	(20,049)	(18.39%)
44101 (1801) Rent - Real Estate	11,000	11,000	0	0.00%
Subtotal Use of Money	\$126,629	\$111,680	(\$14,949)	(11.81%)
<u>CHARGES FOR SERVICES</u>				
45221 (3400&01&03&04) Sewer/Water Usage Fee	\$1,015,080	\$1,012,140	(\$2,940)	(0.29%)
45301 (3600) Charges for Services	36,000	36,000	0	0.00%
45316 (4099) Water Conservation	15,000	15,000	0	0.00%
Subtotal Charges for Services	\$1,066,080	\$1,063,140	(\$2,940)	(0.28%)
<u>MISCELLANEOUS REVENUE</u>				
46021 (4304) Capital Grants-Federal	\$130,000	\$0	(\$130,000)	(100.00%)
46022 (4303) Capital Grants-State	1,020,000	0	(1,020,000)	(100.00%)
Subtotal Miscellaneous Revenue	\$1,150,000	\$0	(\$1,150,000)	(100.00%)
<u>Other Financing Sources</u>				
47101 (4625) Transfers In-within a Fund	\$200,000	\$0	(\$200,000)	(100.00%)
Subtotal Other Financing Sources	\$200,000	\$0	(\$200,000)	(100.00%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
49002 (4210) Advances	\$477,610	\$497,660	\$20,050	4.20%
49003 (4219) Advances Clearing	(477,610)	(497,660)	(20,050)	4.20%
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$15,219,034	\$14,602,209	(\$616,825)	(4.05%)

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
EXPENDITURES:				
SERVICES AND SUPPLIES				
51902 (6040) Telecommunication Usage	(\$85,000)	\$10,000	\$95,000	(111.76%)
51032 (6085) Janitorial Services	0	5,000	5,000	N/A
51061 (6140) Maintenance - Equipment	900,000	800,000	(100,000)	(11.11%)
51076 (6246) Maint - FACOPS	990,000	300,000	(690,000)	(69.70%)
52081 (6262) Medical/Laboratory Supplies	40,000	35,000	(5,000)	(12.50%)
52091 (6280) Memberships/Certifications	25,000	25,000	0	0.00%
52111 (6400&61) Office Supplies	21,000	15,000	(6,000)	(28.57%)
52117 (6410) Mail and Postage Supplies	2,000	4,000	2,000	100.00%
51241 (6430) Outside Printing & Binding	6,500	15,000	8,500	130.77%
51231 (6512) Testing/Analysis	150,000	150,000	0	0.00%
51209 (6516) Info Tech Svs (Non ISD)	15,000	10,000	(5,000)	(33.33%)
51916 (6521) County Services	75,000	75,000	0	0.00%
51917 (6523) District Operations Chgs	5,180,000	5,300,000	120,000	2.32%
51803 (6540) Other Contract Services	669,575	850,000	180,425	26.95%
51226 (6570) Consulting Services	320,425	751,250	430,825	134.45%
51201 (6573) Administration Costs	115,000	115,000	0	0.00%
51244 (6589) Permits/License/Fees	80,000	80,000	0	0.00%
51211 (6610) Legal Services	25,000	27,000	2,000	8.00%
51206 (6630) Accounting/Auditing Services	15,000	15,000	0	0.00%
51919 (6697) EFS Charges	9,213	99,262	90,049	977.41%
51401 (6820) Rents& Leases-Equipment	80,000	80,000	0	0.00%
52141 (6880) Minor Equipment/Small Tools	25,000	30,000	5,000	20.00%
52143 (6889) Software/Licensing Fees	15,000	10,000	(5,000)	(33.33%)
52142 (6890) Computer Equip/Accessories	15,000	15,000	0	0.00%
52162 (7022&35&50) Special Departmental Exp	40,000	36,000	(4,000)	(10.00%)
52061 (7201) Fuel/Gas/Oil	10,000	30,000	20,000	200.00%
51921 (7206) Equipment Usage Charges	340,000	408,000	68,000	20.00%
52072 (7212) Chemicals	300,000	380,000	80,000	26.67%
52171 (7247) Water Conservation Program	175,000	15,000	(160,000)	(91.43%)
51602 (7302) Business Travel/Mileage	0	3,000	3,000	N/A
52191 (7320) Utilities	2,000	2,000	0	0.00%
52193 (7394) Utilities-Power	615,000	625,000	10,000	1.63%
Subtotal Services and Supplies	\$10,170,713	\$10,315,512	\$144,799	1.42%
OTHER CHARGES				
53103 (7930) Interest on LT Debt	\$224,215	\$185,757	(\$38,458)	(17.15%)
53402 (7980) Depreciation Expense	3,894,000	3,907,000	13,000	0.33%
53401 (7981) Amortization Expense	3,500	500	(3,000)	(85.71%)
Subtotal Other Charges	\$4,121,715	\$4,093,257	(\$28,458)	(0.69%)
FIXED ASSETS				
19820 (8560) Machinery & Equipment	\$25,000	\$100,000	\$75,000	300.00%
19851 (9480) Intangible Assets - Non-amort	15,000	15,000	0	0.00%
19841 (9482) Work in Progress - Intang	97,426	100,000	2,574	2.64%
Subtotal Fixed Assets	\$137,426	\$215,000	\$77,574	56.45%
OTHER FINANCING USES				
57011 (8625) Transfers out-within a Fund	\$4,244,133	\$4,440,331	\$196,198	4.62%
Subtotal Other Financing Uses	\$4,244,133	\$4,440,331	\$196,198	4.62%

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<u>APPROPRIATIONS FOR CONT</u>				
55011 (9000) Appropriations for Contingency	\$150,000	\$150,000	\$0	0.00%
<i>Subtotal Approp for Contingencies</i>	\$150,000	\$150,000	\$0	0.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 (9210) Advances	129,275	174,500	45,225	34.98%
59003 (9219) Advances Clearing	(129,275)	(174,500)	(45,225)	34.98%
	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$18,823,987	\$19,214,100	\$390,113	2.07%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$3,604,953	\$4,611,891	\$1,006,938	27.93%

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Operations

Character Title: Taxes **Character No.:** 43301-33080100-40

40003 (1001) Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 14-15 budget. The rate will increase 4.5%, from \$852 to \$890

ESDs times annual rate:	15,330 x \$890	\$13,643,700
Less Estimated Delinquency Factor:	3%	(409,311)
		\$13,234,389

(See Account 45221 for Total ESDs)

40202 (1061) Direct Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

40999 (1120) Penalties/Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money **Character No.:** 43301-33080100-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance		\$1,800,000
Projected Interest Rate		0.65%
Projected Interest on Pooled Cash		\$11,700

44003 (1701) Interest Earned

This represents the interest earnings on the advance to the Power Resources Fund for the purchase of the photovoltaic facility located at the treatment plant.

44101 (1801) Rent-Real Estate

This represents the rental payment for the photovoltaic facility by the ISF Power Fund.

Character Title: Charges for Services **Character No.:** 43301-33080100-45

45221 (3400) Sewer/Water Usage Fees

This account records annual sewer service charges for entities that are invoiced, rather than paying flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued.

ESDs x Annual Charge	126 x \$890	= \$112,140
Based on flow (historical figure)		900,000
		\$1,012,140

45221 (3403) Sewer/Water Usage Fees (Industrial Users Monitoring/Discharge)
 This account records revenue associated with the Industrial Users Monitoring Program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant. The budgeted amount is expected to offset monitoring expenses anticipated to be incurred primarily by the Agency's Environmental Compliance Inspector (see Account 52161, Special Departmental Expense).

45221 (3404) Sewer/Water Usage Fees (Septic Disposal Fee)
 This account records the revenue to the district for septic haulers using the treatment plant facilities to dispose of septic waste.

45301 (3600) Other Charges for Services
 This account records the revenue to the District for recycled water sales.

45316 (4099) Conservation Program
 This account records \$1,500 of each connection fee to support the water conservation program per Ordinance 59 dated 8/8/2002.

46021 (4304) Capital Grants-Federal
 Anticipated revenue from Bureau of Reclamation for the McGill road project.

46022 (4303) Capital Grants-State
 Anticipated revenue from BARIRWMP for the recycled water to the high school project.

49002 (4210) Advances
 This account records the proceeds from the ISF-Power Resources Fund to purchase the photovoltaic asset. The total asset value as of 6/30/08 was \$8,021,593 which will be paid over 12 years.

49003 (4219) Advances - Clearing
 This is the clearing account for sub-object 4210.

51902 (6040) Telecommunication Usage
 This account records expenses paid by the District for outside communication and wireless services.

51032 (6085) Janitorial Services
 This item is requested to provide funds for custodial services.

51061 (6140) Maintenance - Equipment
 This account records the costs for routine maintenance of equipment. (no longer using 6180)

51076 (6246) Maint Fac Ops
 This account records the costs for non-routine maintenance of equipment.
 The following projects are planned for the forthcoming year:

	<u>Order No.</u>	<u>Amount</u>
Sewer/Stream Crossing	7481	\$300,000

52081 (6262) Medical/Laboratory Supplies
 This account records the cost of lab supplies required for testing and monitoring wastewater.

52091 (6280) Memberships/Certifications

This account records membership dues in the North Bay Watershed Association.

52111 (6400) Office Supplies

This account records non-capitalized office expenses.

52117 (6410) Mail and Postage Supplies

This item is requested to cover the costs of the Agency's postage.

51241 (6430) Outside Printing & Binding

This item is requested to cover the costs of printing services, which are primarily furnished by the County Reprographics Department.

51231 (6512) Testing and Analysis

This account records expenses incurred to comply with all regulatory testing requirements.

51209 (6516) Info Tech Services (Non ISD)

This request covers the costs of various data processing supplies and services.

51916 (6521) County Services

This item records the expense of agenda services and special district accounting services.

51917 (6523) District Operations Chgs

This account records the cost of labor and overhead associated with operations and maintenance of the District's facilities, as well as staff costs associated with supporting the San Francisco Bay Integrated Regional Water Management Plan and Recycled Water Project.

51803 (6540) Other Contract Services

This account reflects the costs for various outside services, primarily sludge hauling and disposal.

51226 (6570) Consulting Services

This account records the costs of services provided by outside consultants including \$45,000 for the San Francisco Bay Integrated Regional Water Management Plan, \$50,000 for the Economic Development Board for the Water Conservation Program,, NBWRA (\$75,000) Order #3967B0, Regulatory, Permitting and Collection Modeling (\$75,000), maximo (\$6,250), Recycled Water Distribution Study (\$300,000) and REcycled Water Runoff Study (\$200,000).

51201 (6573) Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

51244 (6589) Permits/License/Fees

This account records the cost of all permits.

51211 (6610) Legal Services

This item covers the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

51206 (6630) Accounting/Auditing Services

This account represents the cost of accounting and audit services provided by an outside certified public

51919 (6697) EFS Charges

This item represents the share of costs for the County's future operating system.

51401 (6820) Rents/Leases - Equipment

Rents and Leases - Equipment covers the costs of renting copiers, fax machines and other equipment as needed.

52141 (6880) Minor Equipment/Small Tools

This item is requested to provide funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.

52143 (6889) Software/Licensing Fees

This item provides funds for various software packages.

52142 (6890) Computer Equipment/Accessories

This item provides funds for computer hardware as needed.

52162 (7022 &35 &50) Special Departmental Expense

Public Relations Expense includes the costs of special meetings.

52061 (7201) Fuel/Gas/Oil

This item include the costs of gas, diesel and oil.

51921 (7206) Equipment Usage Charges

This item is requested to provide funds for equipment usage.

52072 (7212) Chemicals

This account records the cost of chemicals required for operation of the treatment plant in accordance with the Sonoma Valley CSD NPDES permit, as required by the Regional Water Quality Control Board.

52171 (7247) Water Conservation Program

This account reflects \$130,000 for the expanded water conservation program. This program is funded by revenue generated by the \$1,500 connection fee noted above under sub-object 4099.

51602 (7302) Business Travel/Mileage

This item is requested to cover the cost of travel expenses to meetings and seminars by Agency staff.

52191 (7320) Utilities

This account records the cost of payments made for utilities such as water.

52193 (7394) Utilities-Power

This account records the cost of utilities such as gas and electricity.

53103 (7930) Interest on LT Debt

This account reflects interest expense on the outstanding loans from the State Revolving Fund for the Trunk Main at Watmaugh (\$52,025) and Bio-Solids (\$133,732).

53402 (7980) Depreciation

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

53401 (7981) Amort Expense

This records the amortization of intangible assets.

19820 (8560) Machinery & Equipment

This account records cost for equipment over \$5,000, as needed.

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

Character Title: Other Financing Uses

Character No.: 43301-33080100-57

57011 (8625) Transfers out-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Outfall Line Fund, the 1998 Revenue Bond Fund, SRF Loan and SRF Loan Reserve funds to cover principal and interest payments, as well as to the Construction Fund to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer to the Construction Fund will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Transfer to:

Revenue Bond Fund	\$1,662,373
SRF Loan	442,974
SRF Loan Reserve	34,984
Construction Fund	<u>2,300,000</u>
Total Operating Transfer	<u>\$4,440,331</u>

Character Title: Appropriations for Contingencies

Character No.: 43301-33080100-55

55011 (9000) Appropriations for Contingency

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Administrative Control Account

Character No.: 43301-33080100-59

59002 (9210) Advances

This account reflects the principal payment for the proposed State Revolving Loan of \$3,100,000 for the Bio-Solids Project. Terms are 20 years @ 2.6%. Repayment to begin FY 14-15.

Original Amount of the Loan:	\$3,100,000
FY 14-15 Principal Payent	

This account reflects the principal payment for the proposed State Revolving Loan of \$2,320,304 for the Trunk Main at Watmaugh Project. Terms are 20 years @ 2.6%. The FY 15/16 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 13-4 Principal Payment:	(226,734)
FY 14-15 Principal Payment:	<u>(129,275)</u>
	<u>\$2,093,570</u>

59003 (9219) Advances - Clearing

This is the clearing account for account 59002, Advances.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - Operations
Index No.: 43301-33080100

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,281,058	\$1,690,725	\$2,903,339
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	14,109,765	15,253,052	14,602,209
Expenditures - (Decrease) retained earnings	(19,302,330)	(18,305,967)	(19,214,100)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(5,192,565)	(3,052,915)	(4,611,891)
Adjustments to Reserves/Encumbrances:			
53402 (7980) Depreciation Expense	3,329,702	3,897,500	3,907,500
Net Change in Encumbrance	(157,214)	-	-
49002 (4210) Proceeds from LT Debt	1,889,375	-	-
59002 (9210) Advances	(90,338)	(90,339)	(174,500)
Change in Water Conservation Reserve	60,448	-	-
Change in Due from Other Fund	19,242	-	-
Change in Matured Principal	(2,349)	-	-
Dedication of Sewer Easements/Laterals	(88,000)	-	-
Post Audit Adjustment-Contigent Liab-spill	183,000	-	-
Advances-ISF Power Resources Fund	458,368	458,368	497,660
Net Adjustment - Increase/(Decrease) to Retained Earnings	5,602,234	4,265,529	4,230,660
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,690,725	\$2,903,339	\$2,522,108
Total Increase/(Decrease) in Retained Earnings for Fiscal Year			
<i>(Difference between Beginning and Ending Balance)</i>	\$409,667	\$1,212,614	(\$381,231)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$1,275,782	\$1,867,331	
Other Receivables-Flat Charges	715,673	606,115	
Accounts Payable	(12,675)	(313,579)	
Water Conservation Reserve	(60,448)	-	
Other Current Liability	(183,000)	-	
Due From Other Funds	458,367	477,609	
Due From Other Governments	128,923	61,058	
Due To Other Governments	(90,338)	(92,687)	
Vouchers Payable	(192,390)	-	
Interest Payment	(37,854)	(36,289)	
Deposit From Others	(100)	(700)	
Contract Retention Payable	(84)	(121)	
Encumbrances (Contract)	(720,798)	(878,012)	
Total Beginning Retained Earnings	\$1,281,058	\$1,690,725	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - CONSTRUCTION
Fund/Department ID: 43302-33080200

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 (1700) Interest on Pooled Cash	\$39,000	\$52,000	\$13,000	33.33%
Subtotal Use of Money	\$39,000	\$52,000	\$13,000	33.33%
INTERGOVERNMENTAL REVENUE				
42463 (2856) Federal Stimulus/ARRA	\$0	\$0	\$0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
MISCELLANEOUS REVENUE				
46021 (4303) Capital Grants-Federal	\$155,680	\$0	(\$155,680)	(100.00%)
46022 (4304) Capital Grants-State	56,000	0	(56,000)	(100.00%)
Subtotal Miscellaneous Revenue	\$211,680	\$0	(\$211,680)	(100.00%)
ADMINISTRATIVE CONTROL ACCOUNT				
49004 (4200) Administrative Control Account	\$2,200,000	\$0	(2,200,000)	(100.00%)
49005 (4209) Admin Control Acct Clearing	(2,200,000)	0	2,200,000	(100.00%)
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
OTHER FINANCING SOURCES				
47101 (4625) Transfers In -within a Fund	\$4,200,000	\$2,300,000	(\$1,900,000)	(45.24%)
Subtotal Other Financing Sources	\$4,200,000	\$2,300,000	(\$1,900,000)	(45.24%)
TOTAL REVENUES	\$4,450,680	\$2,352,000	(\$2,098,680)	(47.15%)
EXPENDITURES:				
OTHER CHARGES				
53103 (7920&24&92) Interest on LT Debt	\$6,073	\$0	(\$6,073)	(100.00%)
Subtotal Other Charges	\$6,073	\$0	(\$6,073)	(100.00%)
FIXED ASSETS				
19831 (8510) CIP - Bldg & Impr	\$332,728	\$0	(\$332,728)	(100.00%)
19832 (9400) CIP - Infrastructure	9,214,829	6,750,000	(2,464,829)	(26.75%)
19851 (9480) Intangible Assets - Non-amort	20,000	20,000	0	0.00%
19841 (9482) Work in Progress - Intang	500,000	500,000	0	0.00%
Subtotal Fixed Assets	\$10,067,557	\$7,270,000	(\$2,797,557)	(27.79%)
OTHER FINANCING USES				
57011 (8625) Transfers out-within a Fund	\$200,000	\$0	(200,000)	(100.00%)
Subtotal Other Financing Uses	\$200,000	\$0	(\$200,000)	(100.00%)
ADMINISTRATIVE CONTROL ACCOUNT				
59004 (9200) Admin Control Acct	\$201,711	\$0	(\$201,711)	(100.00%)
59005 (9209) Admin Control Acct-Clearing	(\$201,711)	\$0	\$201,711	(100.00%)
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$10,273,630	\$7,270,000	(\$3,003,630)	(29.24%)
TOTAL NET COST (Expenditures Minus Revenues)	\$5,822,950	\$4,918,000	(\$904,950)	(15.54%)

FY 2015-16 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Construction

Character Title: Use of Money **Character No.:** 43302-33080200-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$8,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$52,000

Character Title: Intergovernmental Revenue **Character No.:** 43302-33080200-42

42463 (2856) ARRA/Other Reimb & Alloc

No reimbursement is expected in FY15/16.

Character Title: Miscellaneous Revenue **Character No.:** 43302-33080200-46

46021 (4304) Capital Grants-Federal

No State grants are anticipated in FY 15-16.

46022 (4303) Capital Grants-State

No Federal grants are anticipated in FY 15-16.

Character Title: Administrative Control Account **Character No.:** 43302-33080200-49

49002 (4210) Advances

This account records the proceeds from the Revenue Bond Project Fund for the Agua Caliente Pipeline Creek Crossing Project.

49003 (4219) Advances - Clearing

This is the clearing account for account 49002.

Character Title: Other Financing Sources **Character No.:** 43302-33080200-47

47101 (4625) Transfers In-within a Fund

This account reflects the transfer from the Operations Fund (\$2,000,000) and Revenue Bond Project Fund (\$2,200,000) to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Character Title: Other Charges **Character No.:** 43302-33080200-53

53103 (7920) Interest on LT Debt

This account reflects the interest expense on the purchased property for a storage pond site.

Character Title: Fixed Assets

Character No.: 43302-33080200-19

19832 (9400) CIP-Infrastructure

This account is used for expenses associated with facility improvements or expansion.
The following projects are planned for FY 15/16:

	Order No.	
<u>Re-line Equalization Basins</u>	7649	\$1,000,000
The requested amount is intended to fund design and construction for this project.		
<u>MH 90-3 to MH 136-5 Main Replacement (6th Street to Aqua Creek)</u>	7365	500,000
This requested amount is for design, right-of-way, CEQA and construction costs for trunk main replacement from Studley Street to Maxwell Park .		
<u>SV Recycle 5th St. East /Denmark St.)</u>	7655	2,500,000
Funding will be used to design and CEQA for a recycled water pipeline extending from Watmaugh Road to Denmark Street.		
<u>WWTP Pump Station Upgrade</u>	7486	700,000
Funding will be used to construct pump/piping improvement at the treatment plant.		
<u>Agua Caliente Pipeline Creek Crossing</u>	7544	2,050,000
This project will replace a portion of the existing trunk main in the vicinity of the crossing of Aqua Caliente Creek. Funding will be used for construction.		
	Total	<u><u>\$6,750,000</u></u>

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

\$20,000

19841 (9482) Work in Progress - Intangible

This account captures costs for the development of intangible assets including the implementation and negotiation or acquisitions of easements.

\$500,000

Character Title: Administrative Control Account

Character No.: 43302-33080200

59004 (9200) Admin Control Acct

This account reflects the principal payments on the purchased property for a storage pond site.
Pay off FY 14/15

59005 (9209) Admin Control Acct-Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - Construction
Index No.: 43302-33080200

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	(\$208,855)	\$7,693,174	\$5,105,990
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	10,475,028	4,790,600	2,352,000
Expenditures - (Decrease) retained earnings	(8,292,481)	(7,176,073)	(7,270,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	2,182,547	(2,385,473)	(4,918,000)
Adjustments to Reserves/Encumbrances:			
Change in Note Payable	(7,832)	-	-
Capitalized Interest	(328,606)	-	-
59004 (9200) Admin Control Acct	(193,877)	(201,711)	-
Audit Adjustment	52,124	-	-
Change in Encumbrances	6,197,672	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	5,719,481	(201,711)	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$7,693,172	\$5,105,990	\$187,990
Total Increase/(Decrease) in Retained Earnings for Fiscal Year			
<i>(Difference between Beginning and Ending Balance)</i>	\$7,902,027	(\$2,587,184)	(\$4,918,000)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$6,804,456	\$8,378,884	
Accounts Payable	(1,197,913)	(53,570)	
Deposit with Others	-	-	
Due from Other Gov't	1,082,545	166,250	
Note Payable (current portion)	(193,877)	(201,709)	
Contract Retention Payable	(61,995)	(152,282)	
Due to Other Fund	-	-	
Encumbrances (Contract)	(6,642,071)	(444,399)	
Total Beginning Retained Earnings	(\$208,855)	\$7,693,174	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: **SONOMA VALLEY CSD - GLEN ELLEN BONDS**

Fund/Department ID: **43304-33080300**

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40002 (1000) Prop Tax - CY,Secured	\$17,500	\$17,500	\$0	0.00%
40111 (1020) Supplemental Prop Taxes - CY	200.00	200.00	0	0.00%
40101 (1040) Prop Taxes - CY, Unsecured	400.00	400.00	0	0.00%
Subtotal Taxes	\$18,100	\$18,100	\$0	0.00%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$18	\$20	\$2	8.33%
Subtotal Use of Money	\$18	\$20	\$2	8.33%
TOTAL REVENUES	\$18,118	\$18,120	\$2	0.01%
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 (6635) Bank Charges	\$52	\$52	\$0	0.00%
Subtotal Services and Supplies	\$52	\$52	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 (7920&7972) Interest on LT Debt	\$1,651	\$851	(\$800)	(48.46%)
Subtotal Other Charges	\$1,651	\$851	(\$800)	(48.46%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 (9200) Admin Control Acct	\$16,000	\$17,000	\$1,000	6.25%
59005 (9209) Admin Control Acct-Clearing	(16,000)	(17,000)	(1,000)	6.25%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$1,703	\$903	(\$800)	(46.98%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$16,415)	(\$17,217)	(\$802)	4.88%

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Glen Ellen Bonds

Character Title: Taxes

Character No.: 43304-33080300-40

40002 (1000) Prop Taxes - CY Secured

The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

40111 (1020) Prop Taxes - CY Supplemental

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

40101 (1040) Prop Taxes - CY Unsecured

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

Note:

The FY 15-16 bond payment amount (principal and interest) is \$17,903. To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained for this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

Character Title: Use of Money

Character No.: 43304-33080300-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$3,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$20

Character: Services and Supplies

Character No.: 43304-33080300-51

51242 (6635) Bank Charges

This account records the fee collected by the County Treasurer for acting as the fiscal agent.

Character: Other Charges

Character No.: 43304-33080300-53

53103 (7920) Interest on LT Debt

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5%. Payments began January 1, 1977 and will continue semi-annually until July 1, 2016. The FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

59004 (9200) Admin Control Acct

This account reflects the principal payment for general obligation bonds that were issued in 1976 to finance the local share of a wastewater collection system. Payments on the bonds will continue until July 1, 2016. FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original Amount of the General Obligation Bond Issue:	\$300,000
Total FY 77-78 through FY 13-14 Principal Payments:	(267,000)
FY 14-15 Principal Payment:	(16,000)
Outstanding Bond Amount	<u>\$17,000</u>

59005 (9209) Admin Control Acct-Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - Glen Ellen Bonds
Section: 43304-33080300

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$3,435	\$3,467	\$3,884
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	17,433	18,120	18,120
Expenditures - (Decrease) retained earnings	(2,400)	(1,703)	(903)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	15,033	16,417	17,217
Adjustments to Reserves/Encumbrances:			
59004 (9200) - Admin Control Acct	(15,000)	(16,000)	(17,000)
	<hr/>	<hr/>	<hr/>
Net Adjustment - Increase/(Decrease) to Retained Earnings	(15,000)	(16,000)	(17,000)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$3,467	\$3,884	\$4,101
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$32	\$417	\$217
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$3,435	\$3,467	
	<hr/>	<hr/>	
Total Beginning Fund Balance	\$3,435	\$3,467	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - REVENUE BONDS

Fund/Department ID: 43305-33080800

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$12,000	\$13,000	\$1,000	8.33%
Subtotal Use of Money	\$12,000	\$13,000	\$1,000	8.33%
<u>Other Financing Sources</u>				
47101 (4625) Transfers In -within a Fund	\$1,689,177	\$1,662,373	(\$26,804)	(1.59%)
Subtotal Other Financing Sources	\$1,689,177	\$1,662,373	(\$26,804)	(1.59%)
TOTAL REVENUES	\$1,701,177	\$1,675,373	(\$25,804)	(1.52%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 (6635) Bank Charges	\$8,000	\$8,000	\$0	0.00%
Subtotal Services and Supplies	\$8,000	\$8,000	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 (7920&7972) Interest on LT Debt	\$658,995	\$624,372	(\$34,623)	(5.25%)
Subtotal Other Charges	\$658,995	\$624,372	(\$34,623)	(5.25%)
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 (9210) Advances	\$995,000	\$1,030,000	\$35,000	3.52%
59003 (9219) Advances Clearing	(995,000)	(1,030,000)	(35,000)	3.52%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$666,995	\$632,372	(\$34,623)	(5.19%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,034,182)	(\$1,043,001)	(\$8,819)	0.85%

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Revenue Bonds

Character Title: Use of Money **Character No.:** 43305-33080800-44

44002 (1700) Interest on Pooled Cash

This account records interest on pooled cash held for the District 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	0.65%
Projected/Planned Interest on Pooled Cash	\$13,000

44003 (1701) Other Interest Earned

Proceeds from the 2013 Revenue Bonds are held by US Bank acting as trustee. Interest earnings on the proceeds are retained by the trustee and a corresponding adjustment is made at year end closing to recognize the earnings within this account.

Character Title: Other Financing Sources **Character No.:** 43305-33080800-47

47101 (4625) Transfers In-within a Fund

The revenues supporting this new revenue bond will be collected in the Operations Fund. This account will be used to reflect the transfer of cash from the Operations Fund to this Revenue Bond Fund to cover the annual principal and interest payment.

Character Title: Services and Supplies **Character No.:** 43305-33080800-51

51242 (6635) Bank Charges

This account records the annual administrative fees from the trustee for the revenue bonds issued.

Character Title: Other Charges **Character No.:** 43305-33080800-53

53103 (7920) Interest on LT Debt

This account reflects the interest expense on the 2005 and 2013 Revenue Bonds. These are serial bonds with interest rates ranging from 2.0% to 5.0%.

57011 (8625) Transfers out-within a Fund

No transfers are planned for FY 15-16.

59004 (9200) Admin Control Acct

This account reflects the principal payment for revenue bonds issued in FY 98-99 and partial refunding in FY 05-06 to finance the Sonoma Valley CSD's planned capital program. Payments began in 1999 and will continue as interest only from February 2006 until 2019 when principal payment will resume and continue to maturity in 2023. Principal payments on the 1998 non-refunded portion will resume in 2019 when the 2005 issue has been paid off.

2005 Refunding Issue	\$10,240,000
Total FY 07-08 through FY 13-14 Principal Payments:	(5,945,000)
FY 14-15 Principal Payments:	<u>(805,000)</u>
Outstanding Loan Amount	\$3,490,000

Principal payments began October 2006 and will continue until maturity in October 2018.

2013 Bond Issue	\$12,105,000
FY 13-14 Principal Payments:	(160,000)
FY 14-15 Principal Payments:	<u>(190,000)</u>
	\$11,755,000

59005 (9209) Admin Control Acct-Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - Revenue Bonds
Index No.: 43305-33080800

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,005,928	\$1,065,803	\$1,099,375
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,681,049	1,699,745	1,675,373
Expenditures - (Decrease) retained earnings	(626,780)	(666,995)	(632,372)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,054,268	1,032,750	1,043,001
Adjustments to Reserves/Encumbrances:			
9200 Enterprise - Principal	(965,000)	(965,000)	(1,030,000)
Debt Proceeds	-	-	-
Redemption of 98 Bonds	-	-	-
Deferred Refunding - 2013 Bonds	-	-	-
Costs of Issuance-2013 Bonds	-	-	-
Change in Cash w/Trustee Rsvd for Debt Service	(135)	-	-
Amortization of Debt Issuance Costs	-	-	-
Amortization of Debt Refunding	58,067	58,067	5,300
Amortization of Premium	(62,545)	(62,545)	-
Discount on Revenue Bonds Payable	5,222	5,300	-
Change in Matured Bonds Payable	(30,000)	(35,000)	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(994,391)	(999,178)	(1,024,700)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,065,803	\$1,099,375	\$1,117,676
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$59,875	\$33,572	\$18,301
<u>Fund Balance Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$2,169,966	\$2,287,267	
Cash with Trustee	918,999	876,143	
Cash with Trustee Res for Debt Service	(875,975)	(876,110)	
Matured Principal Payable	(965,000)	(995,000)	
Interest Payable	(242,062)	(226,497)	
Total Beginning Fund Balance	\$1,005,928	\$1,065,803	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN RESERVE

Fund/Department ID: 43308-33080600

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$1,200	\$1,300	\$100	8.33%
Subtotal Use of Money	\$1,200	\$1,300	\$100	8.33%
<u>Other Financing Sources</u>				
47101 (4625) Transfers In-within a Fund	\$34,984	\$34,984	\$0	0.00%
Subtotal Other Financing Sources	\$34,984	\$34,984	\$0	0.00%
TOTAL REVENUES	\$36,184	\$36,284	\$100	0.28%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$36,184)	(\$36,284)	(\$100)	0.28%

FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - SRF Loan Reserve

Character Title: Use of Money

Character No.: 43308-33080600-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$200,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$1,300

Character Title: Other Financing Sources

Character No.: 43308-33080600-47

47101 (4625) Transfers In-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Reserve Fund. The amount added to the Capital Reserve Fund each year is \$34,984 (.5% of the final loan amount of approximately \$6,996,831). This transfer will occur each year during the first 10 years of the loan. Interest earned on the Reserve Fund shall remain in the fund. The schedule for transfers to the Reserve Fund is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Balance</u>
07-08	34,984	34,984
08-09	34,984	69,968
09-10	34,984	104,952
10-11	34,984	139,936
11-12	34,984	174,920
12-13	34,984	209,904
13-14	34,984	244,888
14-15	34,984	279,872
15-16	34,984	314,856
16-17	34,984	349,840

Funds held in the Reserve Fund may be used for capital improvements. If used, the District must replace the expended funds at a rate of 10 percent per year. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer to the Construction Fund will be limited to the amount required for the Wastewater Capital Reserve Fund. Any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

NOTE: In order to comply with the State Revolving Fund loan requirements, the ending fund balance of the SVCSD SRF Loan Reserve Fund shall not fall below the required balance in any given year during the 20 year term of the loan.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - SRF Loan Reserve
Index No.: 43308-33080600

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$214,980	\$251,265	\$287,697
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	36,285	36,432	36,284
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	36,285	36,432	36,284
Adjustments to Reserves/Encumbrances:	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	-	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$251,265	\$287,697	\$323,981
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$36,285	\$36,432	\$36,284
<u>Fund Balance Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$214,980	\$251,265	
Total Beginning Fund Balance	\$214,980	\$251,265	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN

Fund/Department ID: 43307-33080500

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$3,300	\$3,575	\$275	8.33%
Subtotal Use of Money	\$3,300	\$3,575	\$275	8.33%
<u>Other Financing Sources</u>				
47101 (4625) Transfers In -within a Fund	\$442,972	\$442,974	\$2	0.00%
Subtotal Other Financing Sources	\$442,972	\$442,974	\$2	0.00%
TOTAL REVENUES	\$446,272	\$446,549	\$277	0.06%
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 (7920&7972) Interest on LT Debt	\$120,798	\$113,369	(\$7,429)	(6.15%)
Subtotal Other Charges	\$120,798	\$113,369	(\$7,429)	(6.15%)
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 (9200) Admin Control Acct	\$322,194	\$329,605	\$7,411	2.30%
59005 (9209) Admin Control Acct-Clearin	(322,194)	(329,605)	(7,411)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$120,798	\$113,369	(\$7,429)	(6.15%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$325,474)	(\$333,180)	(\$7,706)	2.37%

**FY 2015-16 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - SRF Loan

Character Title: Use of Money Character No.: 43307-33080500-42

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$550,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$3,575

Character Title: Other Financing Sources Character No.: 43307-33080500-47

47101 (4625) Transfers In-within a Fund

This account will be used to reflect the transfer of cash from the Operations Fund to this Loan Fund to cover the annual principal and interest payment.

Character Title: Other Charges Character No.: 43307-33080500-53

53105 (7930) Interest on LT Debt

This account reflects the interest expense for the State Revolving Loan for the Tertiary Treatment Plant Upgrades. The interest rate is 2.50%. Payment begin November 2007 and will continue annually until November 2027.

Character Title: Other Financing Uses Character No.: 43307-33080500-57

57011 (8625) Transfers out-within a Fund

No operating transfer will be budgeted in FY 15-16.

Character Title: Administrative Control Character No.: 43307-33080500-59

59004 (9200) Admin Control Acct

This account reflects the principal payment for the State Revolving Loan for the Tertiary Treatment Plant Upgrade Project.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$6,996,831
Interest during construction added to principal	10,671
Total FY 08-09 through FY 13-14 Principal Payments:	(1,756,288)
FY 14-15 Principal Payments:	(329,605)
Outstanding Loan Amount	\$4,921,609

59005 (9209) Admin Control Acct-Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD- SRF Loan
Index No.: 43307-33080500

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$178,175	\$177,874	\$188,438
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	445,085	446,312	446,549
Expenditures - (Decrease) retained earnings	(123,193)	(120,798)	(113,369)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	321,892	325,514	333,180
Adjustments to Reserves/Encumbrances:			
9200 Enterprise - Principal	(314,950)	(314,950)	(\$329,605)
Increase in Matured Bonds Payable	(7,244)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(322,194)	(314,950)	(329,605)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$177,874	\$188,438	\$192,013
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$301)	\$10,564	\$3,575
<u>Fund Balance Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$578,473	\$580,587	
Interest Payable	(85,348)	(80,519)	
Due to Other Government	(314,950)	(322,194)	
Total Beginning Fund Balance	\$178,175	\$177,874	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE

Fund/Department ID: 43309-33080700

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$900	\$845	(\$55)	(6.11%)
Subtotal Use of Money	\$900	\$845	(\$55)	(6.11%)
<u>Other Financing Sources</u>				
47101 (4625) Transfers In -within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Sources	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$900	\$845	(\$55)	(6.11%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$900)	(\$845)	\$55	(6.11%)

FY 2015-16 BUDGET

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - State Loan Reserve

Character Title: Use of Money

Character No.: 43309-33080700-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$130,000
Projected Interest Rate	<u>0.65%</u>
Projected/Planned Interest on Pooled Cash	\$845

Character Title: Other Financing Sources

Character No.: 43309-33080700-47

47101 (4625) Transfers In-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Reserve Fund. This Reserve Fund is established in order to comply with the State Revolving Fund loan requirement to have reserves equal to one year's debt service.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - State Loan Reserve
Index No.: 43309-33080700

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$151,670	\$152,566	\$153,446
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	897	880	\$845
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	897	880	845
Adjustments to Reserves/Encumbrances:	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	-	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$152,566	\$153,446	\$154,291
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$896	\$880	\$845
<u>Fund Balance Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$151,670	\$152,566	
Total Beginning Fund Balance	\$151,670	\$152,566	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: Sonoma Valley CSD - Revenue Bond Project Fund

Fund/Department ID: 43306-33080900

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled	\$0	\$6,500	\$6,500	N/A
Subtotal Use of Money	\$0	\$6,500	\$6,500	N/A

TOTAL REVENUES	\$0	\$6,500	\$6,500	N/A
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EXPENDITURES:

Other Financing Sources

47101 (4625) Transfers In-within :	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$0	(\$6,500)	(\$6,500)	N/A
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FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Revenue Bond Project Fund

Character Title: Use of Money

Character No.: 43306-33080900-44

44002 (1700) Interest on Pooled Cash	
Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$6,500

Character Title: Other Financing Sources

Character No.: 43306-33080900-57

<p>57011 (8625) Transfers out-within a Fund</p> <p>This account reflects the transfer of funds to the Construction Fund for the the Aqua Caliente Pipeline Creek Crossing at McGill Road.</p>
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**FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation
 Section Title: Sonoma Valley CSD - Revenue Bond Project Fund
 Section/Index No: 43306-33080900

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$6,020,706	\$1,256,300	\$66,657
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	35,594	10,357	6,500
Expenditures - (Decrease) retained earnings	(4,800,000)	(1,200,000)	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(4,764,406)	(1,189,643)	6,500
Adjustments to Reserves/Encumbrances:			
4200 - ENT LTD Proceeds	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	-	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,256,300	\$66,657	\$73,157
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$4,764,406)	(\$1,189,643)	\$6,500
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$6,020,706	\$1,256,300	
Total Beginning Fund Balance	\$6,020,706	\$1,256,300	

FY 2015-16 BUDGET

BUDGET SECTION SUMMARY

Section Title: SOUTH PARK COUNTY SANITATION DISTRICT

A. Program Description

This budget finances administration of a collection system and pumping stations which serve the South Park area. Raw sewage is transported to the City of Santa Rosa (City) for treatment and disposal. Treatment and disposal are covered by an agreement between the two entities.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change
Operations	\$3,595,119	\$3,919,331	9.02%	\$161,925	\$400,031	147.05%
Revenue Bonds	\$127,203	\$122,025	(4.07%)	(\$146,000)	(\$141,755)	(2.91%)
Construction	2,773,924	0	(100.00%)	2,239,724	(529,250)	123.63%
TOTAL:	\$6,496,246	\$4,041,356	(37.79%)	\$2,255,649	(\$270,974)	(112.01%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 13-14 Actual	FY 14-15 Budget Estimate	FY 14-15 Revised Estimate	FY 15-16 Projected	Change from FY 14-15 Budget Estimate
TOTAL ESDs	4,019	4,019	4,018	4,018	(0.02%)
TOTAL APNs	2,215	2,215	2,215	2,215	0.00%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 15-16 annual service charges is \$872, representing a 2.5% increase from FY 14-15. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 14-15 budget. This revenue change is due to the rate increase.

The South Park County Sanitation District (District) provides service to the South Park area using a gravity collection system. Wastewater from the District is treated and disposed of by the City at the Laguna Subregional Treatment Plant on Llano Road. In July of 1996, the City accepted responsibility, under contract, for the operation and routine maintenance of the collection system.

An agreement between the City and District was executed in 2012 relating to: (1) the possible eventual dissolution of the District and transfer of the facilities to the City, (2) the District's debt payment obligations, and potential origination of new debt, (3) District infrastructure improvements which are currently planned or may be planned in the future, (4) issues related to Clean Up and Abatement Order No. R1-2007-0040 from the North Coast Regional Water Quality Control Board, (5) the changeover of billings and collections, and (6) the responsibilities related to operation and maintenance of the District facilities.

On December 22, 1998 the NCRWQCB released a draft Cleanup and Abatement Order (CAO) for halogenated volatile compounds (HVOC) found in soil and groundwater in the vicinity of Sebastopol Road and West Avenue in the South Park CSD service area. The draft CAO specified that HVOCs found in the soil and groundwater are the result of the discharge of these chemicals from dry cleaning operations into the South Park CSD collection system. The draft CAO further specifies that the HVOCs subsequently leaked from the collection system to adjacent soil and groundwater. Potential costs for investigation, remediation, and legal work related to the draft CAO are substantial (\$2-10 million). The South Park CSD, County of Sonoma, and NCRWQCB continue to work cooperatively to deal with this issue.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SOUTH PARK CSD - OPERATIONS

Fund/Department ID: 43401-33090100

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 (1001) Direct Charges-CY	\$3,269,338	\$3,351,218	\$81,880	2.50%
40202 (1061) Direct Charges - PY	70,000	70,000	0	0.00%
40999 (1120) Penalties/Costs on Taxes	16,000	16,000	0	0.00%
Subtotal Taxes	\$3,355,338	\$3,437,218	\$81,880	2.44%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$13,200	\$16,250	\$3,050	23.11%
Subtotal Use of Money	\$13,200	\$16,250	\$3,050	23.11%
<u>CHARGES FOR SERVICES</u>				
45221 (3400&01&03&04) Sewer/Water Usage I	\$47,656	\$48,832	\$1,176	2.47%
Subtotal Charges for Services	\$47,656	\$48,832	\$1,176	2.47%
<u>MISCELLANEOUS REVENUE</u>				
46210 (4115) Refunds	\$17,000	\$17,000	\$0	0.00%
Subtotal Miscellaneous Revenue	\$17,000	\$17,000	\$0	0.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
49002 (4210) Advances	\$477,610	\$497,660	\$20,050	4.20%
49003 (4219) Advances Clearing	(477,610)	(497,660)	(20,050)	4.20%
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$3,433,194	\$3,519,300	\$86,106	2.51%

EXPENDITURES:

SERVICES AND SUPPLIES

51061 (6140) Maintenance - Equipment	\$0	\$12,000	\$12,000	N/A
51241 (6430) Outside Printing & Binding	2000	3000	1,000	50.00%
51209 (6516) Info Tech Svs (Non ISD)	2000	1000	(1,000)	(50.00%)
51916 (6521) County Services	3000	3000	0	0.00%
51917 (6523) District Operations Chgs	40000	90000	50,000	125.00%
51803 (6540) Other Contract Services	520000	500000	(20,000)	(3.85%)
51226 (6570) Consulting Services	10000	10000	0	0.00%
51201 (6573) Administration Costs	27000	28000	1,000	3.70%
51244 (6589) Permits/License/Fees	4000	3000	(1,000)	(25.00%)
51211 (6610) Legal Services	10000	5000	(5,000)	(50.00%)

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<u>SERVICES AND SUPPLIES (cont'd)</u>				
51206 (6630) Accounting/Auditing Services	15,000	7,500	(7,500)	(50.00%)
51919 (6697) EFS Charges	536	14,606	14,070	2625.00%
52162 (7000) Special Departmental Expense	50,000	50,000	0	0.00%
51921 (7206) Equipment Usage Charges	1,000	1,200	200	20.00%
52171 (7247) Water Conservation Program	10,000	4,000	(6,000)	(60.00%)
<i>Subtotal Services and Supplies</i>	<u>\$694,536</u>	<u>\$732,306</u>	<u>\$37,770</u>	<u>5.44%</u>
<u>OTHER CHARGES</u>				
51502 (7961) Sewer Capacity Charges	\$1,750,000	\$1,800,000	\$50,000	2.86%
53402 (7980) Depreciation Expense	354,000	600,000	246,000	69.49%
<i>Subtotal Other Charges</i>	<u>\$2,104,000</u>	<u>\$2,400,000</u>	<u>\$296,000</u>	<u>14.07%</u>
<u>FIXED ASSETS</u>				
19851 (9480) Intangible Assets - Non-amort	\$5,000	\$5,000	\$0	0.00%
<i>Subtotal Fixed Assets</i>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$771,583	\$762,025	(\$9,558)	(1.24%)
<i>Subtotal Other Financing Uses</i>	<u>\$771,583</u>	<u>\$762,025</u>	<u>(\$9,558)</u>	<u>(1.24%)</u>
<u>APPROPRIATIONS FOR CONT</u>				
55011 (9000) Appropriations for Contingency	\$20,000	\$20,000	\$0	0.00%
<i>Subtotal Approp for Contingencies</i>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL EXPENDITURES				
	\$3,595,119	\$3,919,331	\$324,212	9.02%
TOTAL NET COST				
<i>(Expenditures Minus Revenues)</i>	\$161,925	\$400,031	\$238,106	147.05%

FY 2015-16 BUDGET

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - Operations

Character Title: Taxes

Character No.: 43401-33090100-40

40003 (1001) Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 14-15 budget. The rate will increase 2.5%, from \$851 to \$872.

ESDs times annual rate:	3,962 x \$872	\$3,454,864
Less Estimated Delinquency Factor:	3%	(103,646)
		\$3,351,218

(See account 45221 for Total ESDs)

40202 (1061) Direct Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

40999 (1120) Penalties/Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money

Character No.: 43401-33090100-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$2,500,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$16,250

Character Title: Charges for Services

Character No.: 43401-33090100-45

45221 (3400) Sewer/Water Usage Fees

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

Based on projected FY 15-16

ESDs, the District will experience an increase in revenue from invoiced entities.

ESDs x Annual Charge	56 x \$872	=	\$48,832
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Character Title: Miscellaneous Revenue

Character No.: 43401-33090100-46

46210 (4115) Refunds

This account records the annual rebate received from the City of Santa Rosa in accordance with the City of Santa Rosa's Subregional Agreement. The rebate amount is the adjustment between projected and actual costs for operation and maintenance of the Subregional Wastewater System.

Character Title: Administrative Control Account

Character No.: 43401-33090100-49

49002 (4200) Admin Control Acct

No Long Term Debt proceeds are anticipated in FY 15-16.

49003 (4209) Admin Control Acct - Clearing

This is the clearing account for account 49002.

Character Title: Services and Supplies

Character No.: 43401-33090100-51 & 52

51061 (6140) Maintenance - Equipment

This account records the costs for routine maintenance of equipment.

51241 (6430) Outside Printing & Binding

This item is requested to cover the costs of printing services, which are primarily furnished by the County Reprographics Department.

51209 (6516) Info Tech Services (Non ISD)

This request covers the costs of various data processing supplies and services.

51916 (6521) County Services

This item records the expense for special district accounting services.

51917 (6523) District Operations

This account is used primarily to record staff time associated with maintaining the sanitation master user listing for the District, as well as management and administrative time associated with negotiating and administering agreements with the City. This increase in expenditures is due to the additional time required to negotiate agreements with the City of Santa Rosa.

51803 (6540) Other Contract Services

This account records the cost of collection system maintenance paid to the City of Santa Rosa.

51226 (6570) Consulting Services

This account records the costs of miscellaneous services provided by outside consultant.

51201 (6573) Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

51244 (6589) Permits/License/Fees

This account records the cost of all permits.

51211 (6610) Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

51206 (6630) Accounting/Auditing Services

This account represents the cost of accounting and audit services provided by an outside certified public accounting service.

Character Title: Services and Supplies (cont'd)

Character No.: 43401-33090100-51 & 52

51919 (6697) EFS Costs

This item represents the share of costs for the County's future operating system.

52162 (7000) Special Departmental Expense

These costs are for legal counsel to provide legal advice and assistance in advancing a regional solution to the Roseland Area HVOC plume investigation and remediation, as well as management and administrative time associated with the groundwater clean-up efforts.

51921 (7206) Equipment Usage Charges

This item is requested to provide funds for equipment usage.

52171 (7247) Water Conservation Program

This account records the cost of the Water Conservation Program.

Character Title: Other Charges

Character No.: 43401-33090100-53

51502 (7961) Sewer Capacity Charges

South Park CSD participates with the cities of Santa Rosa, Rohnert Park, Cotati and Sebastopol in the Santa Rosa Subregional Sewage System. Santa Rosa provides the treatment for raw sewage for the other participating entities. This payment, required by agreement, is South Park's share (based on capacity needs) of the cost of operations and improvements to the subregional facilities and the bonds used to finance them. Prior to the annexation of the Roseland area of South Park by the City of Santa Rosa, the South Park CSD's sewer capacity charge was based on a capacity in the Subregional Wastewater Treatment Plant of 700,000 gallons per day.

53402 (7980) Depreciation

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

Character Title: Fixed Assets

Character No.: 43401-33090100-19

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

Character Title: Other Financing Uses

Character No.: 43401-33090100-57

57011 (8625) Transfers out-within a Fund

This account reflects the transfer of cash from the Operations Fund to the 2000 Revenue Bond Fund necessary to satisfy the annual debt service payment on the bonds (\$271,583). The amount to be transferred is determined from the debt service schedule for the bonds. In addition, \$500,000 will be transfer to the Construction Fund for planned capital projects.

Character Title: Appropriations for Contingency

Character No.: 43401-33090100-55

55011 (9000) Appropriations for Contingency

This account provides funding for unanticipated expenditures or revenue shortfalls.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: South Park CSD - Operations
Index No.: 43401-33090100

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$2,232,740	\$2,312,569	\$2,476,914
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	4,319,734	3,420,724	3,519,300
Expenditures - (Decrease) retained earnings	(4,576,861)	(3,610,379)	(3,919,331)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(257,127)	(189,655)	(400,031)
Adjustments to Reserves/Encumbrances:			
53402 (7980) Depreciation Expense	352,465	354,000	600,000
Change in Reserve for Water Conservation	-	-	-
Change In Encumbrances	(15,508)	-	-
	<hr/>	<hr/>	<hr/>
Net Adjustment - Increase/(Decrease) to Retained Earnings	336,957	354,000	600,000
	<hr/>	<hr/>	<hr/>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$2,312,569	\$2,476,914	\$2,676,883
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$79,829	\$164,345	\$199,969
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$2,282,615	\$2,709,143	
Other Receivables	112,027	76,877	
Due from Other Governments	19,706	23,289	
Vouchers Payable	-	-	
Accounts Payable	-	(263,188)	
Contract Retention Payable	(84)	(36,520)	
Encumbrances	(181,524)	(197,032)	
	<hr/>	<hr/>	
Total Beginning Retained Earnings	\$2,232,740	\$2,312,569	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: **SOUTH PARK CSD - 2000 REVENUE BONDS**

Fund/Department ID: **43403-33090300**

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled Cash	\$1,620	\$1,755	\$135	8.33%
Subtotal Use of Money	\$1,620	\$1,755	\$135	8.33%

OTHER FINANCING SOURCES

47101 (4625) Transfers In -within a Fu	\$271,583	\$262,025	(\$9,558)	(3.52%)
Subtotal Other Financing Sources	\$271,583	\$262,025	(\$9,558)	(3.52%)

TOTAL REVENUES	\$273,203	\$263,780	(\$9,423)	(3.45%)
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EXPENDITURES:

SERVICES & SUPPLIES

51242 (6635) Bank Charges	\$10,000	\$10,000	\$0	0.00%
Subtotal Services & Supplies	\$10,000	\$10,000	\$0	0.00%

OTHER CHARGES

53103 (7920&7972) Interest on LT De	\$117,203	\$112,025	(\$5,178)	(4.42%)
Subtotal Other Charges	\$117,203	\$112,025	(\$5,178)	(4.42%)

OTHER FINANCING USES

57011 (8625) Transfers out-within a Fu	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A

ADMIN CONTROL

59004 (9200) Admin Control Acct	\$140,000	\$140,000	\$0	0.00%
59005 (9209) Admin Control Acct-Cle	(140,000)	(140,000)	0	0.00%
Subtotal Admin Control	\$0	\$0	\$0	N/A

TOTAL EXPENSES	\$127,203	\$122,025	(\$5,178)	(4.07%)
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TOTAL NET COST <i>(Expenses Minus Revenues)</i>	(\$146,000)	(\$141,755)	\$4,245	(2.91%)
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FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - 2000 Revenue Bonds

This account reflects the proposed payment to the Department of Transportation and Public Works for collection
Character Title: Use of Money **Character No.:** 43403-33090300-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$270,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$1,755

Character Title: Other Financing Sources **Character No.:** 43403-33090300-47

47101 (4625) Transfers In-within a fund

This account will record the operating transfer from the Operations Fund necessary to meet the annual debt service requirements for the bonds.

Character Title: Services and Supplies **Character No.:** 43403-33090300-51

51242 (6635) Bank Charges

This account records the annual administrative fees from the trustee for the 2005 Revenue Bonds.

Character Title: Other Charges **Character No.:** 43403-33090300-53

This project includes collection system replacement on Burbank Avenue (between

53105 (6640) Debt Issuance Costs

This account records costs associated with the issuance of new revenue bonds. There are no new bonds proposed for FY 15-16.

53103 (7920) Interest on LT Debt

This account reflects the interest expense of the refunded 2005 Revenue Bonds. Interest on Serial Bond range from 2.6% to 5.0%.

Character Title: Other Financing Uses **Character No.:** 43403-33090300-57

This project includes collection system replacement on Burbank Avenue (between

57011 (8625) Transfers out-within a Fund

This account reflects the transfer of funds to the Construction Fund to finance the Capital Replacement Program. There is no planned transfer for FY 15-16.

59004 (9200) Admin Control Acct

This account reflects the principal payment for the 2005 Revenue Bonds issued in early FY 05-06 to finance the Capital Replacement Program. Payments began in October 2006 and will continue until October 2026.

Original Issue	\$3,250,000
Total FY 05-06 through FY 13-14 Principal Payments:	(940,000)
FY 14-15 Principal Payment:	<u>(140,000)</u>
Outstanding Loan Amount	\$2,170,000

59005 (9219) Admin Control Acct-Clearing

This is the clearing account for account 59004, Admin Control Acct.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: South Park CSD - 2000 Revenue Bonds
Index No.: 43403-33090300

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$21,247	\$35,275	\$47,248
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	262,972	273,091	263,780
Expenditures - (Decrease) retained earnings	(120,029)	(127,203)	(122,025)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	142,943	145,888	141,755
Adjustments to Reserves/Encumbrances:			
Amortization of Debt Issuance Costs	-	-	-
Amortization of Bond Refunding	14,337	14,337	14,337
Amortization of Bond Premium	(3,252)	(3,252)	-
Increase in Matured Bonds Payable	(10,000)	(5,000)	-
59004 (9200) Admin Control Acct	(130,000)	(140,000)	(140,000)
	<hr/>	<hr/>	<hr/>
Net Adjustment - Inc/(Dec) to Retained Earnings	(128,915)	(133,915)	(125,663)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$35,275	\$47,248	\$63,340
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$14,027	\$11,973	\$16,092
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$277,744	\$300,635	
Cash with Trustee	-	-	
Cash Restricted for Debt Services	(99,005)	(99,005)	
Interest Payable	(27,492)	(26,355)	
Matured Bonds Payable	(130,000)	(140,000)	
	<hr/>	<hr/>	
Total Beginning Retained Earnings	\$21,247	\$35,275	

FY 2015-16 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SOUTH PARK CSD - CONSTRUCTION

Fund/Department ID: 43402-33090200

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled Cash	\$34,200	\$29,250	(\$4,950)	(14.47%)
Subtotal Use of Money	\$34,200	\$29,250	(\$4,950)	(14.47%)

MISCELLANEOUS REVENUE

46022 (4303) Capital Grants-State	\$0	\$0	\$0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

47101 (4625) Transfers In -within a Fund	\$500,000	\$500,000	\$0	0.00%
Subtotal Other Financing Sources	\$500,000	\$500,000	\$0	0.00%

TOTAL REVENUES	\$534,200	\$529,250	(\$4,950)	(0.93%)
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EXPENDITURES:

OTHER CHARGES

53501 (8010) Contributions	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A

FIXED ASSETS

19832 (9400) CIP - Infrastructure	\$2,773,924	\$0	(\$2,773,924)	(100.00%)
Subtotal Fixed Assets	\$2,773,924	\$0	(\$2,773,924)	(100.00%)

TOTAL EXPENDITURES	\$2,773,924	\$0	(\$2,773,924)	(100.00%)
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$2,239,724	(\$529,250)	(\$2,768,974)	123.63%
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FY 2015-16 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - Construction

Character Title: Use of Money **Character No.:** 43402-33090200-44

44002 (1700) Interest on Pooled Cash

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

Estimated Average Cash Balance	\$4,500,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$29,250

The fund balance remaining in the Construction Fund is expected to be reduced as a result of work required to be completed prior to dissolution of the District.

Character Title: Miscellaneous Revenue **Character No.:** 43402-33090200-40

46022 (4303) Capital Grants-State

No grants are anticipated for FY 15-16.

Character Title: Other Financing Sources **Character No.:** 43402-33090200-47

47101 (4625) Transfers In-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Construction Fund to finance the Capital Replacement Program.

Character Title: Fixed Assets **Character No.:** 43402-33090200-19

19832 (9400) CIP-Infrastructure

This account is used for expenses associated with facility improvement or expansion. There are no planned projects for FY 15-16.

FY 2015-16 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department Sonoma County Water Agency - Sanitation

Section: South Park CSD - Construction

Index No.: 43402-33090200

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$5,729,929	\$4,024,851	\$1,784,753
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,031,800	526,956	529,250
Expenditures - (Decrease) retained earnings	(2,696,279)	(2,767,054)	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,664,479)	(2,240,098)	529,250
Adjustments to Reserves/Encumbrances:			
Change in Encumbrance	(47,577)	-	-
Loss on Disposal Asset	22,483	-	-
PY CIP Reclass/Corrections to Order #7666	50,103	-	-
Capitalized Interest	(65,651)	-	-
Net Adjustment - Inc/(Dec) to Retained Earnings	(40,642)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$4,024,807	\$1,784,753	\$2,314,003
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$1,705,122)	(\$2,240,098)	\$529,250
<u>Retained Earnings Components at Beginning of FY</u>	7/1/13	7/1/14	
Cash	\$5,730,559	\$4,741,099	
Other Receivables	-	-	
Vouchers Payable	(630)		
Accounts Payable	-	(552,108)	
Retention Payable	-	(116,563)	
Encumbrance	-	(47,577)	
Total Beginning Retained Earnings	\$5,729,929	\$4,024,851	