

FY 2016-17 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 Boys Hot Springs, Agua Caliente, El Vera no 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 15-16 Adopted	FY 16-17 Requested	Percent Change	FY 15-16 Adopted	FY 16-17 Requested	Percent Change
Operations	\$19,196,100	\$24,002,175	25.04%	\$4,593,891	\$6,973,248	51.79%
Construction	7,270,000	7,700,000	5.91%	4,918,000	870,000	(82.31%)
Glen Ellen Bonds	903	0	(100.00%)	(17,217)	(24)	(99.86%)
Revenue Bonds	632,372	594,696	(5.96%)	(1,043,001)	(1,076,600)	3.22%
SRF Loan Reserve	0	0	N/A	(36,284)	(36,604)	0.88%
State Loan Reserve	0	0	N/A	(845)	(888)	5.09%
SRF Loan	113,369	105,789	(6.69%)	(333,180)	(338,145)	1.49%
Rev Bond Project	0	0	N/A	(6,500)	0	(100.00%)
Wet Weather Mitig	0	0	N/A	0	0	N/A
TOTAL:	\$27,212,744	\$32,402,660	19.07%	\$8,074,864	\$6,390,987	(20.85%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 14-15 Actual	FY 15-16 Budget Estimate	FY 15-16 Revised Estimate	FY 16-17 Projected	Change from FY 15-16 Budget Estimate
TOTAL ESDs	17,329	17,329	17,388	17,447	0.68%
TOTAL APNs	11,496	11,496	11,496	11,496	0.00%

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.

collection system.

FY 16-17 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 4.0% for FY 16-17.

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 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 (1001) Direct Charges-CY	\$13,234,389	\$13,875,703	\$641,314	4.85%
40202 (1061) Direct Charges - PY	160,000	170,000	10,000	6.25%
40999 (1120) Penalties/Costs on Taxes	33,000	43,000	10,000	30.30%
Subtotal Taxes	\$13,427,389	\$14,088,703	\$661,314	4.93%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$11,700	\$23,460	\$11,760	100.51%
44003 (1701) Other Interest Earnings	88,980	68,088	(20,892)	(23.48%)
44101 (1801) Rent - Real Estate	11,000	11,000	0	0.00%
Subtotal Use of Money	\$111,680	\$102,548	(\$9,132)	(8.18%)
<u>CHARGES FOR SERVICES</u>				
45221 (3400&01&03&04) Sewer/Water Usage Fee	\$1,012,140	\$1,016,676	\$4,536	0.45%
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	\$1,063,140	\$1,067,676	\$4,536	0.43%
<u>MISCELLANEOUS REVENUE</u>				
46021 (4304) Capital Grants-Federal	\$0	\$750,000	\$750,000	N/A
46022 (4303) Capital Grants-State	0	1,020,000	1,020,000	N/A
Subtotal Miscellaneous Revenue	\$0	\$1,770,000	\$1,770,000	N/A
<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
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
49002 (4210) Advances	\$497,660	\$518,552	\$20,892	4.20%
49003 (4219) Advances Clearing	(497,660)	(518,552)	(20,892)	4.20%
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$14,602,209	\$17,028,927	\$2,426,718	16.62%

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
<u>SERVICES AND SUPPLIES</u>				
51032 (6085) Janitorial Services	5,000	5,000	0	0.00%
51061 (6140) Maintenance - Equipment	800,000	500,000	(300,000)	(37.50%)
51076 (6246) Maint - FACOPS	300,000	1,204,000	904,000	301.33%
51201 (6573) Administration Costs	115,000	115,000	0	0.00%
51206 (6630) Accounting/Auditing Services	15,000	15,000	0	0.00%
51209 (6516) Info Tech Svs (Non ISD)	10,000	10,000	0	0.00%
51211 (6610) Legal Services	27,000	80,000	53,000	196.30%
51226 (6570) Consulting Services	751,250	0	(751,250)	(100.00%)
51231 (6512) Testing/Analysis	150,000	90,000	(60,000)	(40.00%)
51241 (6430) Outside Printing & Binding	15,000	17,000	2,000	13.33%
51244 (6589) Permits/License/Fees	80,000	80,000	0	0.00%
51401 (6820) Rents& Leases-Equipment	80,000	40,000	(40,000)	(50.00%)
51602 (7302) Business Travel/Mileage	3,000	3,000	0	0.00%
51803 (6540) Other Contract Services	850,000	1,130,000	280,000	32.94%
51902 (6040) Telecommunication Usage	10,000	15,000	5,000	50.00%
51921 (7206) Equipment Usage Charges	390,000	410,000	20,000	5.13%
51916 (6521) County Services	75,000	80,000	5,000	6.67%
51917 (6523) District Operations Chgs	5,300,000	5,800,000	500,000	9.43%
51919 (6697) EFS Charges	99,262	117,060	17,798	17.93%
52061 (7201) Fuel/Gas/Oil	30,000	10,000	(20,000)	(66.67%)
52072 (7212) Chemicals	380,000	340,000	(40,000)	(10.53%)
52081 (6262) Medical/Laboratory Supplies	35,000	35,000	0	0.00%
52091 (6280) Memberships/Certifications	25,000	30,000	5,000	20.00%
52111 (6400&61) Office Supplies	15,000	16,000	1,000	6.67%
52117 (6410) Mail and Postage Supplies	4,000	3,000	(1,000)	(25.00%)
52141 (6880) Minor Equipment/Small Tools	30,000	30,000	0	0.00%
52142 (6890) Computer Equip/Accessories	15,000	15,000	0	0.00%
52143 (6889) Software/Licensing Fees	10,000	5,000	(5,000)	(50.00%)
52162 (7022&35&50) Special Departmental Exp	36,000	0	(36,000)	(100.00%)
52171 (7247) Water Conservation Program	15,000	17,000	2,000	13.33%
52191 (7320) Utilities	2,000	2,000	0	0.00%
52193 (7394) Utilities-Power	625,000	640,000	15,000	2.40%
<i>Subtotal Services and Supplies</i>	\$10,297,512	\$10,854,060	\$556,548	5.40%
<u>OTHER CHARGES</u>				
53103 (7930) Interest on LT Debt	\$185,757	\$129,483	(\$56,274)	(30.29%)
53402 (7980) Depreciation Expense	3,907,000	3,724,586	(182,414)	(4.67%)
53401 (7981) Amortization Expense	500	15,392	14,892	2978.40%
<i>Subtotal Other Charges</i>	\$4,093,257	\$3,869,461	(\$223,796)	(5.47%)
<u>FIXED ASSETS</u>				
19820 (8560) Machinery & Equipment	\$100,000	\$100,000	\$0	0.00%
19841 (9482) Work in Progress - Intang	100,000	100,000	0	0.00%
19851 (9480) Intangible Assets - Non-amort	15,000	16,000	1,000	6.67%
<i>Subtotal Fixed Assets</i>	\$215,000	\$216,000	\$1,000	0.47%
<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>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$4,440,331	\$8,912,654	\$4,472,323	100.72%
<i>Subtotal Other Financing Uses</i>	\$4,440,331	\$8,912,654	\$4,472,323	100.72%

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 (9210) Advances	\$174,500	\$223,595	\$49,095	28.13%
59003 (9219) Advances Clearing	(174,500)	(223,595)	(49,095)	28.13%
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL EXPENDITURES	\$19,196,100	\$24,002,175	\$4,806,075	25.04%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$4,593,891	\$6,973,248	\$2,379,357	51.79%

FY 2016-17 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 15-16 budget. The rate will increase 4 0%, from \$890 to \$926.

ESDs times annual rate:	15,448 x \$926	\$14,304,848
Less Estimated Delinquency Factor:	3%	<u>(429,145)</u>
		\$13,875,703

(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		\$3,910,000
Projected Interest Rate		<u>0.60%</u>
Projected Interest on Pooled Cash		\$23,460

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 \$926	= \$116,676
Based on flow (historical figure)		<u>900,000</u>
		\$1,016,676

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.

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 account 49002.

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	V104	\$300,000
Sonoma Creek Bank Repair in Glen Ellen	V0116	454,000
CL2 Contact Chamber Coating	V0103M021	450,000
	Total	<u>\$1,204,000</u>

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.

51206 (6630) Accounting/Auditing Services

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

51209 (6516) Info Tech Services (Non ISD)

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

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.

51231 (6512) Testing and Analysis

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

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.

51244 (6589) Permits/License/Fees

This account records the cost of all permits.

51401 (6820) Rents/Leases - Equipment

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

51602 (7302) Business Travel/Mileage

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

51803 (6540) Other Contract Services

This account reflects the costs for various outside services including sludge hauling and disposal (\$180,000) Maximo (\$30,000) Economic Development Board (\$50,000), NBWRA (\$120,000), SFBIRWMP (\$45,000), Direct Install Program (\$130,000), Regulatory Assistance (\$75,000), Recycled Water Runoff Study (\$200,000) and Recycled Water Distribution Study (\$300,000).

51902 (6040) Telecommunication Usage

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

51921 (7206) Equipment Usage Charges

This item is requested to provide funds for equipment usage.

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.

51919 (6697) EFS Charges

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

52061 (7201) Fuel/Gas/Oil

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

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.

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.

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.

52142 (6890) Computer Equipment/Accessories

This item provides funds for computer hardware as needed.

52143 (6889) Software/Licensing Fees

This item provides funds for various software packages.

52171 (7247) Water Conservation Program

This account reflects \$130,000 for the expanded water conservation program. This program is funded by

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 (\$49,253) and Bio-Solids (\$79,230).

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.

19841 (9482) Work in Progress - Intang

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

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

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.

<i>Transfer to:</i>	
Revenue Bond Fund	\$1,664,696
SRF Loan	477,958
Construction Fund	<u>6,770,000</u>
Total Operating Transfer	<u><u>\$8,912,654</u></u>

55011 (9000) Appropriations for Contingency

This account provides funding for unanticipated expenditures or revenue shortfalls.

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 15-16.

Original Amount of the Loan:	\$3,100,000
FY 15-16 Principal Payment:	(135,789)
Interest transferred to Principal	<u>36,024</u>
	<u><u>\$3,000,235</u></u>

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 14-15 Principal Payment:	(319,420)
FY 15-16 Principal Payment:	<u>(95,097)</u>
	<u><u>\$2,000,884</u></u>

59003 (9219) Advances - Clearing

This is the clearing account for account 59002, Advances.

FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Fund: Sonoma Valley CSD - Operations

Fund/Department ID: 43301-33080100

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,690,725	\$3,919,996	\$3,558,400
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	14,426,913	14,607,271	17,028,927
Expenditures - (Decrease) retained earnings	(17,418,529)	(19,199,027)	(24,002,175)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(2,991,616)	(4,591,756)	(6,973,248)
Adjustments to Reserves/Encumbrances:			
53402 (7980) Depreciation Expense	3,637,007	3,907,000	3,907,000
Net Change in Encumbrance	221,025	-	-
49002 (4210) Proceeds from LT Debt	1,215,939	-	-
59002 (9210) Advances	(92,686)	(174,500)	(223,595)
Unrealized Gain/loss	(1,508)	-	-
Loss on Fixed Asset	2,490	-	-
Change in Due from Other Fund	20,050	-	-
Change in Matured Principal	(138,199)	-	-
Advances-ISF Power Resources Fund	477,609	497,660	518,552
Net Adjustment - Increase/(Decrease) to Retained Earnings	5,341,727	4,230,160	4,201,957
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$4,040,837	\$3,558,400	\$787,109
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$2,350,112	(\$361,596)	(\$2,771,291)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$1,867,331	\$3,921,770	
Other Receivables-Flat Charges	606,115	560,813	
Accounts Payable	(313,579)	(7,347)	
Due From Other Funds	477,609	497,659	
Due From Other Governments	61,058	126,121	
Due To Other Governments	(92,687)	(230,886)	
Vouchers Payable	-	(159,791)	
Interest Payment	(36,289)	(87,642)	
Deposit From Others	(700)	(43,666)	
Contract Retention Payable	(121)	(50)	
Encumbrances (Contract)	(878,012)	(656,987)	
Total Beginning Retained Earnings	\$1,690,725	\$3,919,996	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 (1700) Interest on Pooled Cash	\$52,000	\$60,000	\$8,000	15.38%
Subtotal Use of Money	\$52,000	\$60,000	\$8,000	15.38%
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	\$0	\$0	\$0	N/A
46022 (4304) Capital Grants-State	0	0	0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
ADMINISTRATIVE CONTROL ACCOUNT				
49004 (4200) Administrative Control Account	\$0	\$0	0	N/A
49005 (4209) Admin Control Acct Clearing	0	0	0	N/A
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
OTHER FINANCING SOURCES				
47101 (4625) Transfers In -within a Fund	\$2,300,000	\$6,770,000	\$4,470,000	194.35%
Subtotal Other Financing Sources	\$2,300,000	\$6,770,000	\$4,470,000	194.35%
TOTAL REVENUES	\$2,352,000	\$6,830,000	\$4,478,000	190.39%
EXPENDITURES:				
OTHER CHARGES				
53103 (7920&24&92) Interest on LT Debt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A
FIXED ASSETS				
19831 (8510) CIP - Bldg & Impr	\$0	\$0	\$0	N/A
19832 (9400) CIP - Infrastructure	6,750,000	7,543,000	793,000	11.75%
19841 (9482) Work in Progress - Intang	500,000	137,000	(363,000)	(72.60%)
19851 (9480) Intangible Assets - Non-amort	20,000	20,000	0	0.00%
Subtotal Fixed Assets	\$7,270,000	\$7,700,000	\$430,000	5.91%
OTHER FINANCING USES				
57011 (8625) Transfers out-within a Fund	\$0	\$0	0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
ADMINISTRATIVE CONTROL ACCOUNT				
59004 (9200) Admin Control Acct	\$0	\$0	\$0	N/A
59005 (9209) Admin Control Acct-Clearing	0	0	0	N/A
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$7,270,000	\$7,700,000	\$430,000	5.91%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$4,918,000	\$870,000	(\$4,048,000)	(82.31%)

FY 2016-17 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	\$10,000,000
Projected Interest Rate	0.60%
Projected/Planned Interest on Pooled Cash	\$60,000

Character Title: Intergovernmental Revenue

Character No.: 43302-33080200-42

42463 (2856) ARRA/Other Reimb & Alloc

No reimbursement is expected in FY16/17.

Character Title: Miscellaneous Revenue

Character No.: 43302-33080200-46

46021 (4304) Capital Grants-Federal

No State grants are anticipated in FY 16-17.

46022 (4303) Capital Grants-State

No Federal grants are anticipated in FY1 6-17.

Character Title: Administrative Control Account

Character No.: 43302-33080200-49

49002 (4210) Advances

No advances are expected in FY 16-17.

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 (\$6,770,000) 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.

19832 (9400) CIP-Infrastructure

This account is used for expenses associated with facility improvements or expansion.
 The following projects are planned for FY 16/17:

	Project#	
<u>Re-line Equalization Basins</u>	7649	\$50,000
The requested amount is intended to fund design to replace membrane liner for the equalization basin at the treatment plant.		
<u>MH 90-3 to MH 136-5 Main Replacement (6th Street to Aqua Creek)</u>	7365	4,533,000
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	205,000
Funding will be used for construction for a recycled water pipeline extending from Watmaugh Road to Denmark Street.		
<u>WWTP Pump and Piping Upgrade</u>	7486	2,155,000
Funding will be used to construct pump/piping improvements at the treatment plan to enhance operational flexibility to provide recycled water for irrigation.		
<u>Future sewer Trunk/Collection System Replacement</u>	TBD	500,000
Funding will be used to design/implement improvements to replace or repair detreated and inadequate portion of the collection system.		
<u>Local Hazard Mitigation Projects</u>	TBD	100,000

Total \$7,543,000

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.

\$137,000

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

\$20,000

FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Construction
Fund/Department ID: 43302-33080200

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$7,693,174	\$10,245,021	\$4,193,733
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	3,864,369	2,468,712	6,830,000
Expenditures - (Decrease) retained earnings	(1,395,384)	(8,520,000)	(7,700,000)
	<hr/>	<hr/>	<hr/>
Net Surplus or Deficit - Inc/(Dec) to retained earnings	2,468,985	(6,051,288)	(870,000)
Adjustments to Reserves/Encumbrances:			
Change in Note Payable	201,709	-	-
Capitalized Interest	(279,623)	-	-
59004 (9200) Admin Control Acct	(201,709)	-	-
p	49,958	-	-
Change in Encumbrances	312,527	-	-
	<hr/>	<hr/>	<hr/>
Net Adjustment - Increase/(Decrease) to Fund Balance	82,862	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$10,245,021	\$4,193,733	\$3,323,733
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	 \$2,551,847	 (\$6,051,288)	 (\$870,000)
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$8,378,884	\$10,144,144	
Accounts Payable	(53,570)	(5,036)	
Prepaid	-	105,105	
Due from Other Gov't	166,250	36,680	
Deposits w/Others	-	96,000	
Note Payable (current portion)	(201,709)	-	
Contract Retention Payable	(152,282)	-	
Encumbrances (Contract)	(444,399)	(131,872)	
	<hr/>	<hr/>	
Total Beginning Retained Earnings	\$7,693,174	\$10,245,021	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

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

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40002 (1000) Prop Tax - CY,Secured	\$17,500	\$0	(\$17,500)	(100.00%)
40111 (1020) Supplemental Prop Taxes - CY	200	0	(200)	(100.00%)
40101 (1040) Prop Taxes - CY, Unsecured	400	0	(400)	(100.00%)
Subtotal Taxes	\$18,100	\$0	(\$18,100)	(100.00%)
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$20	\$24	\$4	20.00%
Subtotal Use of Money	\$20	\$24	\$4	20.00%
TOTAL REVENUES				
	\$18,120	\$24	(\$18,096)	(99.87%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 (6635) Bank Charges	\$52	\$0	(\$52)	(100.00%)
Subtotal Services and Supplies	\$52	\$0	(\$52)	(100.00%)
<u>OTHER CHARGES</u>				
53103 (7920&7972) Interest on LT Debt	\$851	\$0	(\$851)	(100.00%)
Subtotal Other Charges	\$851	\$0	(\$851)	(100.00%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 (9200) Admin Control Acct	\$17,000	\$0	(\$17,000)	(100.00%)
59005 (9209) Admin Control Acct-Clearing	(17,000)	0	17,000	(100.00%)
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES				
	\$903	\$0	(\$903)	(100.00%)
TOTAL NET COST				
<i>(Expenditures Minus Revenues)</i>	(\$17,217)	(\$24)	\$17,193	(99.86%)

FY 2016-17 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Glen Ellen Bonds

LOAN PAID OFF FY 15/16

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	\$4,000
Projected Interest Rate	<u>0.60%</u>
Projected/Planned Interest on Pooled Cash	\$24

FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Glen Ellen Bonds
Fund/Department ID: 43304-33080300

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$3,467	\$4,352	\$4,555
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	18,517	18,106	-
Expenditures - (Decrease) retained earnings	(1,650)	(903)	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	16,867	17,203	-
Adjustments to Reserves/Encumbrances:			
59004 (9200) - Admin Control Acct	(16,000)	(17,000)	-
Unrealized Gain/loss	18	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(15,982)	(17,000)	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$4,352	\$4,555	\$4,555
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$885	\$203	\$0
<u>Retained Earnings Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$3,467	\$4,352	
Total Beginning Fund Balance	\$3,467	\$4,352	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - REVENUE BONDS

Fund/Department ID: 43305-33080800

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$13,000	\$6,600	(\$6,400)	(49.23%)
Subtotal Use of Money	\$13,000	\$6,600	(\$6,400)	(49.23%)
<u>Other Financing Sources</u>				
47101 (4625) Transfers In -within a Fund	\$1,662,373	\$1,664,696	\$2,323	0.14%
Subtotal Other Financing Sources	\$1,662,373	\$1,664,696	\$2,323	0.14%
TOTAL REVENUES	\$1,675,373	\$1,671,296	(\$4,077)	(0.24%)
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	\$624,372	\$586,696	(\$37,676)	(6.03%)
Subtotal Other Charges	\$624,372	\$586,696	(\$37,676)	(6.03%)
<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	\$1,030,000	\$1,070,000	\$40,000	3.88%
59005 (9209) Admin Control Acct-Clearii	(\$1,030,000)	(1,070,000)	(40,000)	3.88%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$632,372	\$594,696	(\$37,676)	(5.96%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,043,001)	(\$1,076,600)	(\$33,599)	3.22%

FY 2016-17 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	\$1,100,000
Projected Interest Rate	0.60%
Projected/Planned Interest on Pooled Cash	\$6,600

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 16-17.

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. The remaining portion of the 1998 bonds was refunded by the 2013 bond issue. Principle payments began October 2006 and will continue until maturity in October 2018.

2005 Refunding Issue	\$10,240,000
Total FY 07-08 through FY 14-15 Principal Payments:	(6,585,000)
FY 15-16 Principal Payments:	<u>(860,000)</u>
Outstanding Loan Amount	\$2,795,000

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

2013 Bond Issue	\$12,105,000
Total FY 13-14 through FY 14-15 Principal Payments:	(325,000)
FY 15-16 Principal Payments:	<u>(170,000)</u>
	\$11,610,000

Principal payments began August 2013 and will continue until maturity in August 2037.

59005 (9209) Admin Control Acct-Clearing

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

FY 2016-17 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 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,065,803	\$1,143,575	\$1,150,914
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,687,261	1,669,249	\$1,671,296
Expenditures - (Decrease) retained earnings	(592,329)	(632,732)	(\$594,696)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,094,931	1,036,517	1,076,600
Adjustments to Reserves/Encumbrances:			
9200 Enterprise - Principal	(995,000)	(1,030,000)	(1,070,000)
Change in Mature Bonds Payable	12,319	-	-
Change in Cash w/Trustee Rsvd for Debt Service	(219)	-	-
Amortization of Debt Refunding	58,067	58,067	58,067
Amortization of Premium	(62,545)	(62,545)	(62,545)
Discount on Revenue Bonds Payable	5,222	5,300	5,300
Change in Matured Bonds Payable	(35,000)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,017,156)	(1,029,178)	(1,069,178)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,143,575	\$1,150,914	\$1,158,336
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$77,772	\$7,339	\$7,422
<u>Fund Balance Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$2,287,267	\$2,391,107	
Cash with Trustee	876,143	876,345	
Cash with Trustee Res for Debt Service	(876,110)	(876,329)	
Matured Principal Payable	(995,000)	(1,030,000)	
Interest Payable	(226,497)	(217,549)	
Total Beginning Fund Balance	\$1,065,803	\$1,143,575	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN RESERVE

Fund/Department ID: 43308-33080600

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$1,300	\$1,620	\$320	24.62%
Subtotal Use of Money	\$1,300	\$1,620	\$320	24.62%
<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	\$36,284	\$36,604	\$320	0.88%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$36,284)	(\$36,604)	(\$320)	0.88%

FY 2016-17 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	\$270,000
Projected Interest Rate	0.60%
Projected/Planned Interest on Pooled Cash	\$1,620

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 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - SRF Loan Reserve
Fund/Department ID: 43308-33080600

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$251,265	\$287,773	\$323,420
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	35,220	\$35,647	\$36,604
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	35,220	35,647	36,604
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	1,289		
Net Adjustment - Increase/(Decrease) to Retained Earnings	1,289	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$287,773	\$323,420	\$360,024
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$36,508	\$35,647	\$36,604
<u>Fund Balance Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$251,265	\$287,773	
Total Beginning Fund Balance	\$251,265	\$287,773	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN

Fund/Department ID: 43307-33080500

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$3,575	\$960	(\$2,615)	(73.15%)
Subtotal Use of Money	\$3,575	\$960	(\$2,615)	(73.15%)
<u>Other Financing Sources</u>				
47101 (4625) Transfers In -within a Fund	\$442,974	\$442,974	\$0	0.00%
Subtotal Other Financing Sources	\$442,974	\$442,974	\$0	0.00%
TOTAL REVENUES	\$446,549	\$443,934	(\$2,615)	(0.59%)
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 (7920&7972) Interest on LT Debt	\$113,369	\$105,789	(\$7,580)	(6.69%)
Subtotal Other Charges	\$113,369	\$105,789	(\$7,580)	(6.69%)
<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	\$329,605	\$337,185	\$7,580	2.30%
59005 (9209) Admin Control Acct-Clearin	(329,605)	(337,185)	(7,580)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$113,369	\$105,789	(\$7,580)	(6.69%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$333,180)	(\$338,145)	(\$4,965)	1.49%

**FY 2016-17 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	\$160,000
Projected Interest Rate	<u>0.60%</u>
Projected/Planned Interest on Pooled Cash	<u>\$960</u>

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 16-17.

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 14-15 Principal Payments:	(2,078,482)
FY 15-16 Principal Payments:	<u>(329,605)</u>
Outstanding Loan Amount	<u>\$4,599,415</u>

59005 (9209) Admin Control Acct-Clearing

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

FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD- SRF Loan
Fund/Department ID: 43307-33080500

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$177,874	\$177,518	\$172,245
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	441,897	445,281	443,934
Expenditures - (Decrease) retained earnings	(115,838)	(113,369)	(105,789)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	326,059	331,912	338,145
Adjustments to Reserves/Encumbrances:			
9200 Enterprise - Principal	(322,194)	(\$329,605)	(\$337,185)
Increase in Matured Bonds Payable	(7,411)	(7,580)	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(329,605)	(337,185)	(337,185)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$174,329	\$172,245	\$173,205
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$3,545)	(\$5,273)	\$960
<u>Fund Balance Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$580,587	\$582,700	
Interest Payable	(80,519)	(75,578)	
Due to Other Government	(322,194)	(329,604)	
Total Beginning Fund Balance	\$177,874	\$177,518	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE

Fund/Department ID: 43309-33080700

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$845	\$888	\$43	5.09%
Subtotal Use of Money	\$845	\$888	\$43	5.09%
<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	\$845	\$888	\$43	5.09%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$845)	(\$888)	(\$43)	5.09%

FY 2016-17 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	\$148,000
Projected Interest Rate	<u>0.60%</u>
Projected/Planned Interest on Pooled Cash	\$888

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 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - State Loan Reserve
Fund/Department ID: 43309-33080700

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$152,566	\$153,470	\$153,997
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	67	527	\$888
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>67</u>	<u>527</u>	<u>888</u>
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	<u>837</u>	<u>-</u>	<u>-</u>
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>837</u>	<u>-</u>	<u>-</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$153,470	\$153,997	\$154,885
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$904	\$527	\$888
<u>Fund Balance Components at Beginning of FY</u>			
Cash	<u>\$152,566</u>	<u>\$153,470</u>	
Total Beginning Fund Balance	\$152,566	\$153,470	

FY 2016-17 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 2015-16	Requested 2016-17	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled	\$6,500	\$0	(\$6,500)	(100.00%)
Subtotal Use of Money	\$6,500	\$0	(\$6,500)	(100.00%)

TOTAL REVENUES	\$6,500	\$0	(\$6,500)	(100.00%)
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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>	(\$6,500)	\$0	\$6,500	(100.00%)
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FY 2016-17 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	\$0
Projected Interest Rate	0.60%
Projected/Planned Interest on Pooled Cash	<u>\$0</u>

Character Title: Other Financing Sources

Character No.: 43306-33080900-57

47011 (8625) Transfers out-within a Fund

No transfers are anticipated for FY 16-17.

FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Revenue Bond Project Fund
Fund/Department ID: 43306-33080900

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,256,300	\$0	\$3,261
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	(1,051)	3,261	-
Expenditures - (Decrease) retained earnings	(1,262,140)	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,263,191)	3,261	-
Adjustments to Reserves/Encumbrances:			
Weather	6,891	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	6,891	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$3,261	\$3,261
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$1,256,300)	\$3,261	\$0
<u>Retained Earnings Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$1,256,300	\$0	
Total Beginning Fund Balance	\$1,256,300	\$0	

FY 2016-17 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: Sonoma Valley CSD - Wet Weather Mitigation
Fund/Department ID: 3308100

Sub-Object No. and Title	Adopted 2015-16	Requested 2016-17	Difference	Percent Change
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REVENUES:

45306 Mitigation Fees-Residential	\$0	\$30,000	\$30,000	N/A
Subtotal	\$0	\$30,000	\$30,000	N/A

TOTAL REVENUES	\$0	\$30,000	\$30,000	N/A
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EXPENDITURES:

SERVICES AND SUPPLIES

51061 (6140) Maintenance - Equipment	\$0	\$30,000	\$30,000	N/A
Subtotal Services and Supplies	\$0	\$30,000	\$30,000	N/A

TOTAL EXPENDITURES	\$0	\$30,000	\$30,000	N/A
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$0	\$0	\$0	N/A
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**FY 2016-17 BUDGET
CHARACTER JUSTIFICATION**

Department - Division Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Wet Weather Mitigation
Character Title:

Character No.: 3308100

45306 Mitigation Fees-Residential
Mitigation fee received.

Character Title: Services a& Supplies

Character No.: 3308100-60

51061 (6140) Maintenance - Equipment

Permitting conditions for public sewer construction will require MidPen Housing to construct a sewage storage holding tank that the District will own, operate and maintain. MidPen Housing will also provide a mitigation fee to the District to fund the District's operational and maintenance expense for the holding tank and support District implemented off-site measures to reduce the risk of overflows in the area.

Under the proposed agreement, MP Springs Family Associates, L.P. and MP Springs Senior Associates, L.P. will provide a total amount of \$300,000 for the mitigation fee for offsite improvements, and maintenance and operation of the holding tank.

The mitigation fees will be paid in two installments of \$180,000 for MP Family Associates, L.P. and \$120,000 for MP Senior Associates, L.P. prior to issuances of sewer permits for separate phases of the Project.

FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Wet Weather Mitigation
Fund/Department ID: 3308100

DESCRIPTION OF FUND ACTIVITY	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
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	0	0	30,000
Expenditures - (Decrease) retained earnings	0	0	(30,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	-	-	-
Adjustments to Reserves/Encumbrances:	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	-	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$0	\$0
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$0	\$0	\$0
<u>Fund Balance Components at Beginning of FY</u>	7/1/14	7/1/15	
Cash	\$0	\$0	
Total Beginning Fund Balance	\$0	\$0	