

FY 2019-20 BUDGET
BUDGET SECTION SUMMARY

Section Title: SANITATION ZONE - GEYSERVILLE

A. Program Description

This budget finances the operation, maintenance, and administration of a collection system, pumping stations, treatment plant, and disposal facilities serving the Geyserville area.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 18-19 Adopted	FY 19-20 Requested	Percent Change	FY 18-19 Adopted	FY 19-20 Requested	Percent Change
Operations	\$642,450	\$451,000	(29.80%)	\$177,667	\$55,130	(68.97%)
Bonds	2,052	727	(64.57%)	(27,837)	(27,800)	(0.13%)
Construction	0	50,000	N/A	(3,213)	7,910	(346.19%)
TOTAL:	\$644,502	\$501,727	(22.15%)	\$146,617	\$35,240	(75.96%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 17-18 Actual	FY 18-19 Budget Estimate	FY 18-19 Revised Estimate	FY 19-20 Projected	Change from FY 18-19 Budget Estimate
Total ESDs	355	357	357	357	0.00%
Total APNs	276	282	282	282	0.00%

E. Summary of Issues and Significant Changes

The Geyserville Sanitation Zone (Geyserville SZ) treatment facility became operational in 1981 and is designed to treat an average daily dry weather flow of up to 92,000 gallons per day. Current and future treatment plant inflows are expected to remain less than the treatment and disposal capacity of the Geyserville SZ facilities.

The requested rate per ESD for FY 19-20 annual service charges is \$1,099 representing a 5.5% increase from FY 18-19.

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 2019-20 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SANITATION ZONE - GEYSERVILLE - OPERATIONS

Fund/Department ID: 44605-33110100

Account No. and Title	Adopted 2018-19	Requested 2019-20	Difference	Percent Change
<i>REVENUES:</i>				
<u>TAXES</u>				
40003 Direct Charges-CY	\$350,723	\$381,580	\$30,857	8.80%
40111 Supplemental Prop Taxes - CY	1,100	700	(400)	(36.36%)
40999 Penalties and Costs on Taxes	650	700	50	7.69%
<i>Subtotal Taxes</i>	\$352,473	\$382,980	\$30,507	8.66%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$1,890	\$1,900	\$10	0.53%
<i>Subtotal Use of Money</i>	\$1,890	\$1,900	\$10	0.53%
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$10,420	\$10,990	\$570	5.47%
<i>Subtotal Charges for Services</i>	\$10,420	\$10,990	\$570	5.47%
<u>OTHER FINANCING SOURCES</u>				
47101 Trans in - Within a Fund	\$100,000	\$0	(\$100,000)	(100.00%)
<i>Subtotal Other Financing Sources</i>	\$100,000	\$0	(\$100,000)	(100.00%)
TOTAL REVENUES	\$464,783	\$395,870	(\$68,913)	(14.83%)

EXPENDITURES:

SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$5,000	\$5,250	\$250	5.00%
51076 Maint FACOPS	248,100	105,000	(143,100)	(57.68%)
51201 Administration Services	3,000	2,000	(1,000)	(33.33%)
51211 Legal Services	1,000	1,000	0	0.00%
51231 Testing/Analysis	25,000	21,000	(4,000)	(16.00%)
51241 Outside Printing & Binding	500	0	(500)	(100.00%)
51244 Permits/License/Fees	20,000	10,000	(10,000)	(50.00%)
51401 Rents & Leases-Equipment	8,000	0	(8,000)	(100.00%)
51803 Other Contract Services	58,000	86,750	28,750	49.57%
51902 Telecommunications Usage	500	0	(500)	(100.00%)
51917 District Operations Chgs	180,000	100,000	(80,000)	(44.44%)
51921 Equipment Usage Charges	12,350	7,000	(5,350)	(43.32%)
52111 Office Expense	500	0	(500)	(100.00%)
52141 Minor Equipment/Small Tools	1,000	0	(1,000)	(100.00%)
52061 Fuel/Gas/Oil	500	0	(500)	N/A
52072 Chemicals	4,000	0	(4,000)	(100.00%)

FY 2019-20 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Account No. and Title	Adopted 2018-19	Requested 2019-20	Difference	Percent Change
<u>SERVICES AND SUPPLIES (cont'd)</u>				
52081 Medical/Laboratory Supplies	1,000	0	(1,000)	(100.00%)
52171 Water Conservation Prog	1,000	2,000	1,000	100.00%
52193 Utilities-Power	12,000	10,000	(2,000)	(16.67%)
<i>Subtotal Services and Supplies</i>	<u>\$581,450</u>	<u>\$350,000</u>	<u>(\$231,450)</u>	<u>(39.81%)</u>
<u>OTHER CHARGES</u>				
53402 Depreciation Expense	\$46,000	\$46,000	\$0	0.00%
<i>Subtotal Other Charges</i>	<u>\$46,000</u>	<u>\$46,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$10,000	\$10,000	\$0	0.00%
<i>Subtotal Fixed Assets</i>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>APPROPRIATIONS FOR CONT</u>				
55011 Appropriations for Contingency	\$5,000	\$5,000	\$0	0.00%
<i>Subtotal Appropriations for Contin.</i>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$0	\$40,000	\$40,000	N/A
<i>Subtotal Other Financing Uses</i>	<u>\$0</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>N/A</u>
TOTAL EXPENDITURES	<u>\$642,450</u>	<u>\$451,000</u>	<u>(\$191,450)</u>	<u>(29.80%)</u>
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	<u>\$177,667</u>	<u>\$55,130</u>	<u>(\$122,537)</u>	<u>(68.97%)</u>

FY 2019-20 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Geyserville - Operations

Character Title: Taxes **Character No.:** 44605-33110100-40

40003 Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 18-19 budget. The annual rate will increase 5.5%, from \$1,042 to \$1,099.

ESDs times annual rate:	357	x	\$1,099	\$392,343
Less Estimated Delinquency Factor:	3.00%			(10,763)
				\$381,580

40111 Supplemental Prop Taxes - CY

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

40999 Penalties and Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money **Character No.:** 44605-33110100-44

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$100,000
Projected Interest Rate	1.90%
Projected/Planned Interest on Pooled Cash	\$1,900

Character Title: Charges for Services **Character No.:** 44605-33110100-45

45221 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 account 40003-Direct Charges-CY.

In the following year based on projected FY 19-20 ESDs, the Zone will experience an increase in revenue from invoice entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,045 to \$1,099.

ESDs x Annual Charge	10	x	\$1,099	=	\$10,990
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Character Title: Other Financing Sources **Character No.:** 44605-33110100-47

47101 OT - W/in Special Dist - BOS

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

51061 Maintenance-Equipment

This account records the costs for routine maintenance of equipment.

51076 Maint Fac Ops

This account records the costs for non-routine maintenance of equipment.

The following projects are planned for the forthcoming year:

New aerators for aeration basins \$105,000

51201 Administration Costs

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

51211 Legal Services

This item covers the estimated costs of legal services to be provided by County Counsel or outside legal services.

51231 Testing/Analysis

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

51241 Outside Printing & Binding

This item is requested to cover the costs of outside printing services.

51244 Permits/License/Fees

This account records the cost of all permits.

51401 Rents/Leases-Equipment

This item is requested to provide funds for rents and leases of equipment.

51803 Other Contract Services

This account records costs for capacity analysis for fee study \$75,000, High Efficiency Direct Install Program (HEDIP) agreement \$3,000, and multi-year agreement \$8,750.

51917 District Operations Charges

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

51921 Equipment Usage Charges

This item is requested to provide funds for equipment usage.

52061 Fuel/Gas/Oil

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

Character Title: Services and Supplies (continued) Character No.: 44605-33110100-51 & 52

52072 Chemicals

This account records the cost of chemicals required for operation of the treatment plant. The anticipated amount is considered necessary to meet the discharge requirements of the Geyserville SZ waste discharge requirements issued by the State Water Quality Control Board.

52081 Medical/Laboratory Supplies

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

52111 Office Expense

Supplies/Expenses covers the costs of operational supplies.

52141 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.

52171 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 Utilities-Power

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

Character Title: Other Charges Character No.: 44605-33110100-53

53402 Depreciation Expense

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

Character Title: Fixed Assets Character No.: 44605-33110100-19

19820 Machinery & Equipment

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

Character Title: Appropriations for Contingencies Character No.: 44605-33110100-55

55011 Appropriations for Contingencies

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Other Financing Uses Character No.: 44605-33110100-57

57011 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 any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year. There is a planned transfer in FY 19-20 in the amount of \$40,000.

FY 2019-20 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: SANITATION ZONE - GEYSERVILLE - OPERATIONS
Fund/Department ID: 44605-33110100

DESCRIPTION OF FUND ACTIVITY	Actual FY 17-18	Estimated FY 18-19	Requested FY 19-20
Undesignated/Unreserved BEGINNING Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$270,248	\$335,949	\$109,310
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	653,477	448,450	395,870
Expenditures - (Decrease) fund balance	(580,895)	(721,089)	(451,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	72,582	(272,639)	(55,130)
Adjustments to Reserves/Encumbrances:			
Depreciation	36,521	46,000	46,000
Unrealized Gain/Loss	(228)	-	-
Change in Encumbrances	(43,175)	-	-
Rounding	1		
Net Adjustment - Increase/(Decrease) to Fund Balance	(6,881)	46,000	46,000
Undesignated/Unreserved ENDING Fund Balance			
Available for Budgeting	\$335,949	\$109,310	\$100,180
Target Fund Balance	\$272,187	\$230,045	\$175,000
<i>Over/(Under) Target Fund Balance</i>	\$63,762	(\$120,734)	(\$74,820)
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$65,701	(\$226,639)	(\$9,130)
<u>Fund Balance Components at Beginning of FY</u>	7/1/17	7/1/18	
Cash	\$262,249	\$357,079	
Other Receivables (Flat Charges)	9,820	24,120	
Accounts Receivable-AR Module	-	5,783	
Accounts Payable	(40)	(6,077)	
Prepaid Expenses	-	-	
Reserve for Water Conservation	(1,781)	(1,781)	
Encumbrances	-	(43,175)	
Total Beginning Fund Balance	\$270,248	\$335,949	

FY 2019-20 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SANITATION ZONE - GEYSERVILLE - CONSTRUCTION
Fund/Department ID: 44610-33110200

Account No. and Title	Adopted 2018-19	Requested 2019-20	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 Interest on Pooled Cash	\$3,213	\$2,090	(\$1,123)	(34.95%)
Subtotal Use of Money	\$3,213	\$2,090	(\$1,123)	(34.95%)

OTHER FINANCING SOURCES

47101 Trans in - Within a Fund	\$0	\$40,000	\$40,000	N/A
Subtotal Other Financing Sources	\$0	\$40,000	\$40,000	N/A

TOTAL REVENUES	\$3,213	\$42,090	\$38,877	1209.99%
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EXPENDITURES:

FIXED ASSETS

19832 CIP - Infrastructure	\$0	\$50,000	\$50,000	N/A
Subtotal Fixed Assets	\$0	\$50,000	\$50,000	N/A

OTHER FINANCING USES

57011 Transfers out-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$50,000	\$50,000	N/A
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TOTAL NET COST	(\$3,213)	\$7,910	\$11,123	(346.19%)
<i>(Expenditures Minus Revenues)</i>				

**FY 2019-20 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sanitation Zone - Geyserville - Construction

Character Title: Use of Money **Character No.:** 44610-33110200-44

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$110,000
Projected Interest Rate	<u>1.90%</u>
Projected/Planned Interest on Pooled Cash	\$2,090

Character Title: Other Financing Sources **Character No.:** 44610-33110200-47

47101 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. 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. There is planned transfer in FY 19-20 in the amount of \$40,000.

Character Title: Fixed Assets **Character No.:** 44610-33110200-19

19832 CIP - Infrastructure

This account reflects funds for miscellaneous improvements. FY 19-20 project is a force main replacement budgeted amount of \$50,000.

FY 2019-20 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: SANITATION ZONE - GEYSERVILLE - CONSTRUCTION
Fund/Department ID: 44610-33110200

DESCRIPTION OF FUND ACTIVITY	Actual FY 17-18	Estimated FY 18-19	Requested FY 19-20
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$199,374	\$205,987	\$209,200
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	6,276	203,213	42,090
Expenditures - (Decrease) fund balance	-	(200,000)	(50,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	6,276	3,213	(7,910)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	337	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	337	-	-
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$205,987	\$209,200	\$201,290
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$6,613	\$3,213	(\$7,910)
<u>Fund Balance Components at Beginning of FY</u>	7/1/17	7/1/18	
Cash	\$199,374	\$205,987	
Total Beginning Fund Balance	\$199,374	\$205,987	

FY 2019-20 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SANITATION ZONE - GEYSERVILLE - BONDS
Fund/Department ID: 44615-33110300

Account No. and Title	Adopted 2018-19	Requested 2019-20	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40002 Prop Tax - CY, Secured	\$28,000	\$28,000	\$0	0.00%
40111 Supplemental Prop Taxes - CY	600	52	(548)	(91.33%)
40101 Prop Taxes - CY, Unsecured	600	0	(600)	(100.00%)
Subtotal Taxes	\$29,200	\$28,052	(\$1,148)	(3.93%)
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$189	\$475	\$286	151.32%
Subtotal Use of Money	\$189	\$475	\$286	151.32%
<u>INTERGOVERNMENTAL REVENUES</u>				
42291 State Homeowners Tax Relief	\$500	\$0	(\$500)	(100.00%)
Subtotal Intergovernmental Revenues	\$500	\$0	(\$500)	(100.00%)
TOTAL REVENUES	\$29,889	\$28,527	(\$1,362)	(4.56%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$52	\$52	\$0	0.00%
Subtotal Services and Supplies	\$52	\$52	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$2,000	\$675	(\$1,325)	(66.25%)
Subtotal Other Charges	\$2,000	\$675	(\$1,325)	(66.25%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$26,000	\$27,000	\$1,000	3.85%
59005 Admin Control Acct-Clearing	(26,000)	(27,000)	(1,000)	3.85%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$2,052	\$727	(\$1,325)	(64.57%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$27,837)	(\$27,800)	\$37	(0.13%)

FY 2019-20 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sanitation Zone - Geyserville - Bonds

Character Title: Taxes **Character No.:** 44615-33110300-40

40002 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 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 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.

Character Title: Use of Money **Character No.:** 44615-33110300-44

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$25,000
Projected Interest Rate	<u>1.90%</u>
 Projected/Planned Interest on Pooled Cash	 \$475

Character Title: Intergovernmental Revenue **Character No.:** 44615-33110300-42

42291 State Homeowners Prop Tax Relief

This account records the receipt of State Home Owner's Property Tax Relief as allocated by the Auditor's Office. The claim is filed with the State based on the number of Homeowner's exemptions filed with the County.

Character Title: Services and Supplies **Character No.:** 44615-33110300-51

51242 Bank Charges

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

53103 Interest on Long-Term Debt

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5%. Payments began January 1, 1981 and will continue semi-annually until January 1, 2020. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were sold.

59004 Admin Control Account

This account reflects the principal payment for general obligation bonds that were issued in 1980 to finance the local share of a wastewater collection system. Payments on the bonds will continue until January 1, 2020. The request for the forthcoming fiscal year 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:	\$500,000
Total FY 80-81 through FY 18-19 Principal Payments:	(473,000)
FY 19-20 Principal Payment:	<u>(27,000)</u>
Outstanding Bond Amount	\$0

59005 (9209) Admin Control Account-Clearing

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

FY 2019-20 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: SANITATION ZONE - GEYSERVILLE - BONDS
Fund/Department ID: 44615-33110300

DESCRIPTION OF FUND ACTIVITY	Actual FY 17-18	Estimated FY 18-19	Requested FY 19-20
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$13,867	\$14,846	\$15,683
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	30,181	29,889	28,527
Expenditures - (Decrease) fund balance	(3,275)	(2,052)	(727)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	26,906	27,837	27,800
Adjustments to Reserves/Encumbrances:			
59004 - Enterprise Principal	(25,000)	(26,000)	(27,000)
Unrealized Gain/Loss	72	-	-
Change In Mature Bonds Payable	(1,000)	(1,000)	182,048
Net Adjustment - Increase/(Decrease) to Fund Balance	(25,928)	(27,000)	155,048
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$14,846	\$15,683	\$198,531
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$979	\$837	\$182,848
<u>Fund Balance Components at Beginning of FY</u>	7/1/17	7/1/18	
Cash	\$38,867	\$40,846	
Matured Bonds Payable	(25,000)	(26,000)	
Total Beginning Fund Balance	\$13,867	\$14,846	