

# FY 2020-21 BUDGET

## BUDGET SECTION SUMMARY

Section Title:

**SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP**

**A. Program Description**

This budget finances the operation, maintenance, and administration of a collection system, trunk line, and treatment plant serving the Airport/Larkfield/Wikiup area.

**B. Financial Summary**

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 19-20 Adopted	FY 20-21 Requested	Percent Change	FY 19-20 Adopted	FY 20-21 Requested	Percent Change
Operations	\$4,889,798	\$5,695,906	16.49%	\$1,135,016	\$1,162,065	2.38%
Bonds	91,785	83,042	(9.53%)	(356,353)	(369,067)	3.57%
Construction	7,076,000	632,000	(91.07%)	6,790,768	314,219	(95.37%)
<b>TOTAL:</b>	<b>\$12,057,583</b>	<b>\$6,410,948</b>	<b>(46.83%)</b>	<b>\$7,569,431</b>	<b>\$1,107,217</b>	<b>(85.37%)</b>

**C. Staffing Summary**

No staffing is allocated to this index.

**D. Workload Summary**

Workload Indicator	FY 18-19 Actual	FY 19-20 Budget Estimate	FY 19-20 Revised Estimate	FY 20-21 Projected	Change from FY 19-20 Budget Estimate
Total ESDs	3,616	3,640	3,719	3,818	4.89%
Total APNs	1,741	1,741	1,813	1,907	9.53%

**E. Summary of Issues and Significant Changes**

The Airport/Larkfield/Wikiup Sanitation Zone's (Airport SZ) treatment plant was designed as a zero discharge facility and has the ability to treat an average daily dry weather flow of up to 0.9 million gallons per day (mgd) to tertiary wastewater treatment standards.

For several years following major expansion of the Airport SZ's reclamation system and upgrade of the treatment plant to meet tertiary standards, rate increases did not keep pace with the increased operations and debt service costs. Various steps have been taken to improve performance of the filtration system and the Agency has implemented aggressive water conservation measures to delay the need for capital expansion projects.

The requested rate per ESD for FY 20-21 annual service charges is \$1,018, representing a 4.0% increase from FY 19-20. Rate increases in excess of the inflation will be needed to balance operational revenue and costs over the next several years.

**FY 2020-21 BUDGET**  
**BUDGET SECTION SUMMARY**

Section Title:

<b>SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP</b>
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**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 2020-21 BUDGET

### SUMMARY OF REVENUES AND EXPENDITURES

**Fund: SANI ZONE - AIRPORT / LARKFIELD / WIKIUP - OPERATIONS**

**Fund/Department ID: 44705-33100100**

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>TAXES</u></b>				
40003 Direct Charges-CY	\$3,107,199	\$3,168,743	\$61,544	1.98%
40202 Direct Charges - PY	24,000	25,000	1,000	4.17%
40999 Penalties/Costs on Taxes	4,500	4,500	0	0.00%
<b>Subtotal Taxes</b>	<b>\$3,135,699</b>	<b>\$3,198,243</b>	<b>\$62,544</b>	<b>1.99%</b>
<b><u>USE OF MONEY</u></b>				
44002 Interest on Pooled Cash	\$8,811	\$16,480	\$7,669	87.04%
44101 Rent - Real Estate	150,000	150,000	0	0.00%
<b>Subtotal Use of Money</b>	<b>\$158,811</b>	<b>\$166,480</b>	<b>\$7,669</b>	<b>4.83%</b>
<b><u>CHARGES FOR SERVICES</u></b>				
45221 Sewer/Water Usage Fee	\$360,272	\$669,118	\$308,846	85.73%
45316 Water Conservation	0	500,000	500,000	N/A
<b>Subtotal Charges for Services</b>	<b>\$360,272</b>	<b>\$1,169,118</b>	<b>\$808,846</b>	<b>224.51%</b>
<b><u>OTHER FINANCING SOURCES</u></b>				
47101 Trans in - Within a Fund	\$100,000	\$0	(\$100,000)	(100.00%)
<b>Subtotal Other Financing Sources</b>	<b>\$100,000</b>	<b>\$0</b>	<b>(\$100,000)</b>	<b>(100.00%)</b>
<b>TOTAL REVENUES</b>	<b>\$3,754,782</b>	<b>\$4,533,841</b>	<b>\$779,059</b>	<b>20.75%</b>

**EXPENDITURES:**

**SERVICES AND SUPPLIES**

51061 Maintenance - Equipment	\$309,000	\$155,000	(\$154,000)	(49.84%)
51076 Maint FACOPS	150,000	0	(150,000)	(100.00%)
51201 Administration Services	27,000	27,000	0	0.00%
51211 Legal Services	5,000	3,000	(2,000)	(40.00%)
51231 Testing/Analysis	30,000	50,000	20,000	66.67%
51241 Outside Printing & Binding	4,000	3,000	(1,000)	(25.00%)
51244 Permits/License/Fees	65,000	55,000	(10,000)	(15.38%)
51401 Rents & Leases-Equipment	39,000	15,000	(24,000)	(61.54%)
51421 Rents & Leases-Bldgs/Land	9,000	0	(9,000)	(100.00%)
51803 Other Contract Services	93,750	645,000	551,250	588.00%
51902 Telecommunications Usage	5,000	5,000	0	0.00%
51917 District Operations Charges	2,024,460	2,184,150	159,690	7.89%
51921 Equipment Usage Charges	135,000	160,000	25,000	18.52%
52061 Fuel/Gas/Oil	1,000	2,000	1,000	100.00%
52072 Chemicals	57,000	85,000	28,000	49.12%
52081 Medical/Laboratory Supplies	6,000	5,000	(1,000)	(16.67%)
52111 Office Supplies	2,000	1,000	(1,000)	(50.00%)
52117 Mail and Postage Supplies	1,000	250	(750)	(75.00%)

**FY 2020-21 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Fund: SANI ZONE - AIRPORT / LARKFIELD / WIKIUP - OPERATIONS**  
**Fund/Department ID: 44705-33100100**

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<b><u>SERVICES AND SUPPLIES (cont'd)</u></b>				
52141 Minor Equipment/Small Tools	14,000	18,000	4,000	28.57%
52142 Computer Equip/Accessories	1,000	0	(1,000)	(100.00%)
52143 Software/Licensing Fees	0	1,000	1,000	N/A
52171 Water Conservation Program	18,000	185,667	167,667	931.48%
52191 Utilities	15,000	0	(15,000)	(100.00%)
52193 Utilities-Power	316,000	320,000	4,000	1.27%
<b><i>Subtotal Services and Supplies</i></b>	<b><u>\$3,327,210</u></b>	<b><u>\$3,920,067</u></b>	<b><u>\$592,857</u></b>	<b><u>17.82%</u></b>
<b><u>OTHER CHARGES</u></b>				
53401 Amortization Expense	\$16,000	\$16,000	\$0	0.00%
53402 Depreciation Expense	1,077,000	1,302,000	225,000	20.89%
<b><i>Subtotal Other Charges</i></b>	<b><u>\$1,093,000</u></b>	<b><u>\$1,318,000</u></b>	<b><u>\$225,000</u></b>	<b><u>20.59%</u></b>
<b><u>APPROPRIATIONS FOR CONT</u></b>				
55011 Appropriations for Contingency	\$20,000	\$0	(\$20,000)	(100.00%)
<b><i>Subtotal Appropriations for Contin.</i></b>	<b><u>\$20,000</u></b>	<b><u>\$0</u></b>	<b><u>(\$20,000)</u></b>	<b><u>(100.00%)</u></b>
<b><u>OTHER FINANCING USES</u></b>				
57011 Transfers out-within a Fund	\$439,588	\$442,839	\$3,251	0.74%
<b><i>Subtotal Other Financing Uses</i></b>	<b><u>\$439,588</u></b>	<b><u>\$442,839</u></b>	<b><u>\$3,251</u></b>	<b><u>0.74%</u></b>
<b><u>FIXED ASSETS</u></b>				
19820 Machinery & Equipment	\$10,000	\$0	(\$10,000)	(100.00%)
19841 Work in Progress - Intang	0	15,000	15,000	N/A
<b><i>Subtotal Fixed Assets</i></b>	<b><u>\$10,000</u></b>	<b><u>\$15,000</u></b>	<b><u>\$5,000</u></b>	<b><u>50.00%</u></b>
<b>TOTAL EXPENDITURES</b>	<b><u>\$4,889,798</u></b>	<b><u>\$5,695,906</u></b>	<b><u>\$806,108</u></b>	<b><u>16.49%</u></b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b><u>\$1,135,016</u></b>	<b><u>\$1,162,065</u></b>	<b><u>\$27,049</u></b>	<b><u>2.38%</u></b>

**FY 2020-21 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - Airport/Larkfield/Wikiup - Operations

**Character Title:** Taxes **Character No.:** 44705-33100100-40

<b>40003 Direct Charges - CY</b>		
Flat charge revenue from annual service charges is expected to increase from the adopted FY 19-20 budget. The rate will increase approximately 4.0%, from \$979 to \$1,018.		
ESDs times annual rate:	3,200 x \$1,018	\$3,257,600
Less Estimated Delinquency Factor:	2.0%	(65,152)
		\$3,192,448
(See Account 45221 for Total ESDs)		
<b>40202 Direct Charges - PY</b>		
This account records the estimated delinquent amount of prior years sewer service charges.		
<b>40999 Penalties/Costs on Taxes</b>		
This account records penalties paid on delinquent sewer service charges.		

**Character Title:** Use of Money **Character No.:** 44705-33100100-44

<b>44002 Interest on Pooled Cash</b>		
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		\$800,000
Projected Interest Rate		2.06%
Projected/Planned Interest on Pooled Cash		\$16,480
<b>44101 Rent-Real Estate</b>		
This represent the payment of rent of property per the Memorandum of Agreement for the photovoltaic facility (\$50,000) and the relocated service center (\$100,000).		

**Character Title:** Charges for Services **Character No.:** 44705-33100100-45

<b>45221 Sewer/Water Usage Fee</b>		
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 invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$979 to \$1,018.		
ESDs x Annual Charge	451 x \$1,018	= \$459,118
This account also 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.		
<b>45316 Water Conservation</b>		
This account records the revenue associated with offset fees from Sutter Hospital.		

**Character Title:** Other Financing Sources **Character No.:** 44705-33100100-47

<b>47101 OT - W/in Special Dist - BOS</b>		
This account records a transfer from SCWA General Fund to provide funds to operate the treatment plant.		

**FY 2020-21 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - Airport/Larkfield/Wikiup - Operations

**Character Title:** Services and Supplies **Character No.:** 44705-33100100-51 & 52

**51061 Maintenance - Equipment**

This account records the costs for routine maintenance of equipment.  
The following projects are planned for the forthcoming year:

Flow Control Air Valves Pall System		\$	15,000
Recycle Main - Air Valve and Blowoff Valve	A0013		10,000
		\$	25,000

**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 account 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 account represents the cost of outside printing services.

**51244 Permits/License/Fees**

This account records the cost of all permits.

**51401 Rents/Leases-Equipment**

This account represents funds for rents and leases of equipment.

**51803 Other Contract Services**

This account reflects the costs for various outside services which include:

Mowing Contract		\$	50,000
Rain Gauge			20,000
Regulatory Permitting Assistance			50,000
Sanitary Sewer Management Plan and Collection System Modeling			25,000
Sludge Removal			500,000
		\$	645,000

**51902 Telecommunication Usage**

This account records expense paid by the Airport SZ for outside communication and wireless services.

**51917 District Operations Charges**

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

Additional Planned Projects:

Flow Control Air Valves Pall System		\$	10,000
Recycle Main - Air Valve and Blowoff Valve	A0013		10,000
		\$	20,000

**FY 2020-21 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - Airport/Larkfield/Wikiup - Operations  
**Character Title:** Services and Supplies (Continued) **Character No.:** 44705-33100100-51 & 52

<p><b>51921 Equipment Usage Charges</b>  This account represents funds for equipment usage.</p> <p><b>52061 Fuel/Gas/Oil</b>  This account includes the costs of gas, diesel and oil.</p> <p><b>52072 Chemicals</b>  This account records the cost of chemicals required for operation of the treatment plant.</p> <p><b>52081 Medical/Laboratory Supplies</b>  This account records the cost of lab supplies required for testing and monitoring wastewater.</p> <p><b>52111 Office Supplies</b>  This account covers the costs of operational supplies.</p> <p><b>52117 Mail and Postage Supplies</b>  This account represents the costs of postage.</p> <p><b>52141 Minor Equipment/Small Tools</b>  This account represents funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.</p> <p><b>52143 Software/Licensing Fees</b>  This account provides funds for various software packages.</p> <p><b>52171 Water Conservation Program</b>  This account records the cost of indoor water use efficiency programs including but not limited to indoor water use assessments/audits, fixture replacements and rebates with the goal of inflow reduction.</p> <p><b>52193 Utilities Power</b>  This account records the cost of payments made for utilities such as gas and electricity.</p>
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<b>Character Title:</b>	<b>Other Charges</b>	<b>Character No.:</b>	<b>44705-33100100-53</b>
<p><b>53402 Depreciation</b>  Generally Accepted Accounting Principles require that depreciation be expensed each year.</p>			

<b>Character Title:</b>	<b>Other Financing Uses</b>	<b>Character No.:</b>	<b>44705-33100100-57</b>
<p><b>57011 Transfers out-within a Fund</b>  This account reflects the transfer of cash from the Operations Fund to the Bond Fund to cover principal and interest payments.</p>			

<b>Character Title:</b>	<b>Fixed Assets</b>	<b>Character No.:</b>	<b>44705-33100100-19</b>
<p><b>19820 Machinery &amp; Equipment</b>  This account records cost for equipment over \$5,000.</p> <p><b>19840 Work in Progress - Equipment</b>  This account is used for the purchase of equipment that is a fixed or movable tangible asset used for operations.</p> <p><b>19841 Work in Progress - Intang</b>  This account captures costs for the development of intangible assets including the implementation and negotiation or acquisitions of easements.</p>			

**FY 2020-21 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Fund:** Sanitation Zone - Airport / Larkfield / Wikiup - Operations  
**Fund/Department ID:** 44705-33100100

DESCRIPTION OF FUND ACTIVITY	Actual FY 18-19	Estimated FY 19-20	Requested FY 20-21
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$1,463,115</b>	<b>\$1,716,575</b>	<b>\$1,484,563</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	4,179,833	3,768,835	4,533,841
Expenditures - (Decrease) fund balance	(5,035,949)	(5,093,847)	(5,695,906)
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	(856,118)	(1,325,012)	(1,162,065)
<b>Adjustments to Reserves/Encumbrances:</b>			
53402 - Depreciation Expense	1,045,839	1,077,000	1,302,000
Change in Encumbrance	81,809	-	-
Unrealized Gain/Loss	(23,911)	-	-
Amortization	5,952	16,000	16,000
Change in prepaid exp	(111)	-	-
Post Audit Adjustment	1	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	1,109,578	1,093,000	1,318,000
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$1,716,575</b>	<b>\$1,484,563</b>	<b>\$1,640,498</b>
<b>Target Fund Balance</b>	<b>\$1,756,378</b>	<b>\$1,765,630</b>	<b>\$1,960,034</b>
<i>Over/(Under) Target Fund Balance</i>	(\$39,803)	(\$281,066)	(\$319,535)
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$253,460</b>	<b>(\$232,012)</b>	<b>\$155,935</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>			
Equity in Pooled Cash	<b>7/1/18</b>	<b>7/1/19</b>	
Other Receivables	2,134,795	2,240,578	
Accounts Payable	42,347	26,899	
Accounts Receivable-AR Module	(94,308)	(106,825)	
Allowance for Uncollectible Accounts	-	(675)	
AR Maint/Trnsf Control	12,810	89,501	
Retention Receivable	2,862	3,488	
Deposits from Others	(188,832)	(427,810)	
Due from State AR	-	5,634	
Accounts Payable	-	(28,060)	
Prepaid Expense	83	-	
Other Current Liabilities	(278,679)	-	
Encumbrances	(167,963)	(86,154)	
<b>Total Beginning Fund Balance</b>	<b>1,463,115</b>	<b>1,716,576</b>	



**FY 2020-21 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: Sanitation Zone - A.L.W. - CONSTRUCTION  
Fund/Department ID: 44710-33100200

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 Interest on Pooled Cash	\$16,150	\$17,510	\$1,360	8.42%
44003 Other Interest Earnings	7,164	33,246	26,082	364.08%
<b>Subtotal Use of Money</b>	<b>\$23,314</b>	<b>\$50,756</b>	<b>\$27,442</b>	<b>117.71%</b>
<b><u>MISCELLANEOUS REVENUE</u></b>				
46024 Connection Fees	\$261,918	\$262,905	\$987	0.38%
<b>Subtotal Miscellaneous Revenue</b>	<b>\$261,918</b>	<b>\$262,905</b>	<b>\$987</b>	<b>0.38%</b>
<b><u>OTHER FINANCING SOURCES</u></b>				
47101 Trans in - within a Fund	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>ADMINISTRATIVE CONTROL</u></b>				
49002 Advances	\$0	\$69,236	\$69,236	N/A
49003 Advances Clearing	0	(69,236)	(69,236)	N/A
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL REVENUES</b>	<b>\$285,232</b>	<b>\$313,661</b>	<b>\$28,429</b>	<b>9.97%</b>
<b>EXPENDITURES:</b>				
<b><u>FIXED ASSETS</u></b>				
19832 CIP - Infrastructure	\$7,076,000	\$450,000	(\$6,626,000)	(93.64%)
<b>Subtotal Fixed Assets</b>	<b>\$7,076,000</b>	<b>\$450,000</b>	<b>(\$6,626,000)</b>	<b>(93.64%)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$7,076,000</b>	<b>\$450,000</b>	<b>(\$6,626,000)</b>	<b>(93.64%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$6,790,768</b>	<b>\$136,339</b>	<b>(\$6,654,429)</b>	<b>(97.99%)</b>

**FY 2020-21 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - Airport/Larkfield/Wikiup - Construction

**Character Title:** Use of Money **Character No.:** 44710-33100200-44

**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	\$850,000
Projected Interest Rate	2.06%
Projected/Planned Interest on Pooled Cash	\$17,510

**44003 Other Interest Earnings**

This represents the interest earnings on the connection fee loan for the Larkfield Estates Sewer Main Extension Project.

**Character Title:** Miscellaneous Revenue **Character No.:** 44710-33100200-46

**46024 Connection Fees**

This account records anticipated connection fees for FY 20-21 and a final catchup fee for Sutter Hospital.

**Character Title:** Administrative Control Account **Character No.:** 44710-33100200-49

**49002 Advances**

This account records the principal on the connection fee loans for the Larkfield Estates Sewer Main Extension Project.

**49003 Advances - Clearing**

This is the clearing account for account 49002.

**Character Title:** Fixed Assets **Character No.:** 44710-33100200-19

**19832 CIP - Infrastructure**

This account can be used to provide capacity to new users pursuant to the County General Plan (using connection fee revenue), as well as for treatment plant and reclamation system improvement projects.

Planned projects:

Main Electrical Breaker Switchgear BIG	A0085	\$100,000
Headworks Meter	tbd	50,000
Recycled Water Pipeline Improvements	tbd	100,000
Programming Services for Filter Plant and Related Facilities	A0082	150,000
Aeration Basin Aerators	A0070	50,000
		\$450,000

**FY 2020-21 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Fund:** Sanitation Zone - Airport / Larkfield / Wikiup - Construction  
**Fund/Department ID:** 44710-33100200

DESCRIPTION OF FUND ACTIVITY	Actual FY 18-19	Estimated FY 19-20	Requested FY 20-21
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$2,359,696</b>	<b>\$2,586,146</b>	<b>\$2,420,625</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	1,185,225	297,149	313,661
Expenditures - (Decrease) fund balance	(469,234)	(531,000)	(450,000)
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	715,990	(233,851)	(136,339)
<b>Adjustments to Reserves/Encumbrances:</b>			
Unrealized Gain/Loss	(26,672)	-	-
Donated Assets	27,348	-	-
Change in Encumbrance	434,365	-	-
Post Audit Adjustment	(81,873)	-	-
Accrual of Connection Fees Receivable - Larkfield Estates	10,418	68,330	-
Larkfield Estates - Connection Fees Receivable	(253,127)	-	-
Advances - Principal Received	(600,000)	-	69,697
Non-current accounts receivable	1	-	(1)
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	(489,540)	68,330	69,696
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$2,586,146</b>	<b>\$2,420,625</b>	<b>\$2,353,983</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$226,450</b>	<b>(\$165,521)</b>	<b>(\$66,643)</b>

<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/18</b>	<b>7/1/19</b>
Cash	\$3,012,116	\$2,399,030
Accounts Receivable-AR Module	-	584,204
Vouchers Payable	(18,166)	(150,544)
Accounts Payable	(117,800)	(93,000)
Retention Payable	(7,300)	(7,300)
AR Maint/Transfer Control	-	-
Connection Fees Receivable - Larkfield Estates	-	10,418
Encumbrances	(509,154)	(74,789)
<b>Total Beginning Fund Balance</b>	<b>\$2,359,696</b>	<b>\$2,668,019</b>

**FY 2020-21 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: Sanitation Zone - A.L.W. - Bonds  
Fund/Department ID: 44715-33100300

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 Interest on Pooled Cash	\$8,550	\$9,270	\$720	8.42%
<b>Subtotal Use of Money</b>	<b>\$8,550</b>	<b>\$9,270</b>	<b>\$720</b>	<b>8.42%</b>
<b><u>OTHER FINANCING SOURCES</u></b>				
47101 Transfers in - Within a Fund	\$439,588	\$442,839	\$3,251	0.74%
<b>Subtotal Other Financing Sources</b>	<b>\$439,588</b>	<b>\$442,839</b>	<b>\$3,251</b>	<b>0.74%</b>
<b>TOTAL REVENUES</b>	<b>\$448,138</b>	<b>\$452,109</b>	<b>\$3,971</b>	<b>0.89%</b>
<b>EXPENDITURES:</b>				
<b><u>SERVICES AND SUPPLIES</u></b>				
51242 Bank Charges	\$3,500	\$3,000	(\$500)	(14.29%)
<b>Subtotal Services and Supplies</b>	<b>\$3,500</b>	<b>\$3,000</b>	<b>(\$500)</b>	<b>(14.29%)</b>
<b><u>OTHER CHARGES</u></b>				
53103 Interest on LT Debt	\$66,159	\$57,916	(\$8,243)	(12.46%)
53104 Other Interest Exp	22,126	22,126	\$0	0.00%
<b>Subtotal Other Charges</b>	<b>\$88,285</b>	<b>\$80,042</b>	<b>(\$8,243)</b>	<b>(9.34%)</b>
<b><u>OTHER FINANCING USES</u></b>				
57011 Transfers out - within a Fund	\$0	\$0	\$0	N/A
<b>Subtotal Other Charges</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/ A</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
59004 Admin Control Acct	\$347,803	\$359,797	\$11,994	3.45%
59005 Admin Control Acct-Clearing	(347,803)	(359,797)	(11,994)	3.45%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/ A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$91,785</b>	<b>\$83,042</b>	<b>(\$8,743)</b>	<b>(9.53%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$356,353)</b>	<b>(\$369,067)</b>	<b>(\$12,714)</b>	<b>3.57%</b>

**FY 2020-21 BUDGET  
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation  
Section Title: Sanitation Zone - A.L.W. - Bonds

**Character Title: Use of Money Character No.: 44715-33100300-44**

**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	\$450,000
Projected Interest Rate	<u>2.06%</u>
Projected/Planned Interest on Pooled Cash	\$9,270

**Character Title: Other Financing Sources Character No.: 44715-33100300-47**

**47101 Transfers in-within a Fund**

This account records the transfer of funds from the Operations Fund to cover debt payment.

**Character Title: Services and Supplies Character No.: 44715-33100300-51**

**51242 Bank Charges**

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

**Character Title: Other Charges Character No.: 44715-33100300-53**

**53103 Interest on Long-Term Debt**

The 2000 bonds were completely refunded in September 2005. The 2005C bonds were refunded in 2017. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were refunded.

**53104 Other Interest Expense**

This account records the deferred refunding of the 2017 revenue bonds.

**Character Title: Other Financing Uses Character No.: 44715-33100300-57**

**57011 Transfers out-within a Fund**

This account reflects amounts transferred to the Construction Fund for expenses incurred for projects eligible for funding from the proceeds of the 2017 Revenue Bond. No transfer will be budgeted for FY 20-21.

**Character Title: Administrative Control Character No.: 44715-33100300-59**

**59004 Admin Control Account**

This account reflects the principal payments for revenue bonds that were issued in 2005 and refunded in 2017 with a new interest rate of 2.33% for the life of the loan. Payments on the bonds will continue until October 2026. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were refunded.

The following reflects the bond principal payment history to date:

Original Amount of the Revenue Bond Issue:	\$6,220,000
Total FY 06-07 through FY 19-20 Principal Payments:	(3,554,474)
Total FY 20-21 Principal Payments:	<u>(359,797)</u>
Outstanding Bond Amount	\$2,305,729

**59005 Admin Control Account - Clearing**

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

**FY 2020-21 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Fund:** Sanitation Zone - Airport / Larkfield / Wikiup - Bonds  
**Fund/Department ID:** 44715-33100300

DESCRIPTION OF FUND ACTIVITY	Actual FY 18-19	Estimated FY 19-20	Requested FY 20-21
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$153,679</b>	<b>\$181,776</b>	<b>\$200,459</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	455,847	448,138	452,109
Expenditures - (Decrease) fund balance	(94,577)	(91,785)	(83,042)
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	<u>361,269</u>	<u>356,353</u>	<u>369,067</u>
<b>Adjustments to Reserves/Encumbrances:</b>			
Loss on Refunding of Debt	22,126	22,126	22,126
Capitalized Interest	-	-	-
Unrealized Gain/Loss	(7,496)	-	-
Change in Matured Bonds Payable	-	-	-
Principal Expenditure	<u>(347,803)</u>	<u>(359,796)</u>	<u>(361,196)</u>
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	<u>(333,173)</u>	<u>(337,670)</u>	<u>(339,070)</u>
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$181,776</b>	<b>\$200,459</b>	<b>\$230,456</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$28,097</b>	<b>\$18,683</b>	<b>\$29,997</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/18</b>	<b>7/1/19</b>	
Cash	\$516,956	\$547,132	
Cash with Fiscal Agent	-	-	
Matured Bonds Payable	(343,722)	(347,803)	
Interest Payable	(19,555)	(17,553)	
<b>Total Beginning Fund Balance</b>	<u>\$153,679</u>	<u>\$181,776</u>	

**FY 2020-21 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: ALW Rate Stabilization Fund  
Fund/Department ID: 44720-33100400

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 Interest on Pooled Cash	\$1,900	\$2,060	\$160	8.42%
<b>Subtotal Use of Money</b>	<b>\$1,900</b>	<b>\$2,060</b>	<b>\$160</b>	<b>8.42%</b>
<b><u>OTHER FINANCING SOURCES</u></b>				
47102 Transfers in - btw Govtl Funds	\$150,000	\$0	(\$150,000)	(100.00%)
<b>Subtotal Other Financing Sources</b>	<b>\$150,000</b>	<b>\$0</b>	<b>(\$150,000)</b>	<b>(100.00%)</b>
<b>TOTAL REVENUES</b>	<b>\$151,900</b>	<b>\$2,060</b>	<b>(\$149,840)</b>	<b>(98.64%)</b>
<b>EXPENDITURES:</b>				
<b><u>OTHER FINANCING USES</u></b>				
57011 Transfers out - within a Fund	\$100,000	\$0	(\$100,000)	(100.00%)
<b>Subtotal Other Financing Uses</b>	<b>\$100,000</b>	<b>\$0</b>	<b>(\$100,000)</b>	<b>(100.00%)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$100,000</b>	<b>\$0</b>	<b>(\$100,000)</b>	<b>(100.00%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$51,900)</b>	<b>(\$2,060)</b>	<b>\$49,840</b>	<b>(96.03%)</b>

**FY 2020-21 BUDGET  
CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - A.L.W. - Rate Stabilization

**Character Title:** Use of Money **Character No.:** 44720-33100400-44

**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	<u>2.06%</u>
Projected/Planned Interest on Pooled Cash	\$2,060

**Character Title:** Other Financing Sources **Character No.:** 44720-33100400-47

**47101 Transfers in-within a Fund**

This account records the transfer of available funds from the General Fund to the ALW Rate Stabilization Fund to assist in funding the ALW Operations Fund, on an as-needed basis in order to comply with the debt financing covenants. There are no budgeted transfers for FY 20-21.

**Character Title:** Other Financing Uses **Character No.:** 44720-33100400-57

**57011 Transfers out-within a Fund**

This account reflects amounts transferred from the ALLW Rate Stabilization Fund to the ALW Operations Fund in order to comply with the debt financing covenants. There are no budgeted transfers for FY 20-21.



**FY 2020-21 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation  
Fund: Sanitation Zone - Airport / Larkfield / Wikiup - Rate Stabilization  
Fund/Department ID: 44720-33100400

DESCRIPTION OF FUND ACTIVITY	Actual FY 18-19	Estimated FY 19-20	Requested FY 20-21
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$101,386</b>	<b>\$466</b>	<b>\$52,366</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	111,156	151,900	2,060
Expenditures - (Decrease) fund balance	(211,500)	(100,000)	0
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	<u>(100,345)</u>	<u>51,900</u>	<u>2,060</u>
<b>Adjustments to Reserves/Encumbrances:</b>			
Unrealized Gain/Loss	(576)	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	<u>(576)</u>	<u>-</u>	<u>-</u>
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$466</b>	<b>\$52,366</b>	<b>\$54,426</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>(\$100,920)</b>	<b>\$51,900</b>	<b>\$2,060</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/18</b>	<b>7/1/19</b>	
Equity in Pooled Cash	\$101,386	\$466	
<b>Total Beginning Fund Balance</b>	<u>\$101,386</u>	<u>\$466</u>	

**FY 2020-21 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: Larkfield Estates Sewer System  
Fund/Department ID: 44725-33100500

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 Interest on Pooled Cash	\$0	\$4,120	\$4,120	N/A
<b>Subtotal Use of Money</b>	<b>\$0</b>	<b>\$4,120</b>	<b>\$4,120</b>	<b>N/ A</b>
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$4,120</b>	<b>\$4,120</b>	<b>N/A</b>
<b>EXPENDITURES:</b>				
<b><u>OTHER CHARGES</u></b>				
53103 Interest on Long-Term Debt	\$0	\$32,000	\$32,000	N/A
<b>Subtotal Other Charges</b>	<b>\$0</b>	<b>\$32,000</b>	<b>\$32,000</b>	<b>N/ A</b>
<b><u>ADMINISTRATIVE CONTROL</u></b>				
59002 Advnaces	\$0	\$28,000	\$28,000	N/A
59003 Advances Clearing	0	(28,000)	(28,000)	N/A
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/ A</b>
<b><u>FIXED ASSETS</u></b>				
19832 CIP - Infrastructure	\$0	\$150,000	\$150,000	N/A
19841 Acq - WIP-Intangibles	0	0	0	N/A
<b>Subtotal Fixed Assets</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$182,000</b>	<b>\$182,000</b>	<b>N/A</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$0</b>	<b>\$177,880</b>	<b>\$177,880</b>	<b>N/A</b>

**FY 2020-21 BUDGET  
CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - Larkfield Estates Sewer System

**Character Title:** Use of Money **Character No.:** 44725-33100500-44

**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	<u>2.06%</u>
Projected/Planned Interest on Pooled Cash	\$2,060

**Character Title:** Other Charges **Character No.:** 44725-33100500-53

**53103 Interest on Long-Term Debt**

This account records the interest on the Facilities Fund loan for the Larkfield Estates Sewer Main Project.

**Character Title:** Administrative Control Account **Character No.:** 44725-33100500-59

**59002 Advances**

This account records the principal on the Facilities Fund loan for the Larkfield Estates Sewer Main Project.

**59003 Advances - Clearing**

This is the clearing account for account 59002.

**Character Title:** Fixed Assets **Character No.:** 44725-33100500-19

**19832 CIP - Infrastructure**

This account can be used to provide capacity to new users pursuant to the County General Plan, as well as for treatment plant and reclamation system improvement projects.

FY 20/21: Larkfield Estates Sewer Main Project (completion)	\$150,000
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**FY 2020-21 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Fund:** Sanitation Zone - Larkfield Estates Sewer System  
**Fund/Department ID:** 44725-33100500

DESCRIPTION OF FUND ACTIVITY	Actual FY 18-19	Estimated FY 19-20	Requested FY 20-21
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$0</b>	<b>\$384,156</b>	<b>\$368,076</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	16,791	43,920	4,120
Expenditures - (Decrease) fund balance	(815,161)	(4,912,000)	(182,000)
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	<u>(798,370)</u>	<u>(4,868,080)</u>	<u>(177,880)</u>
<b>Adjustments to Reserves/Encumbrances:</b>			
Unrealized Gain/Loss	(5,127)	-	-
Donated Asset	(27,348)	-	-
Principal Received - Advances from Other Funds	1,215,000	4,852,000	-
Principal on loan payment to Facilities Fund		-	(28,000)
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	<u>1,182,525</u>	<u>4,852,000</u>	<u>(28,000)</u>
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$384,156</b>	<b>\$368,076</b>	<b>\$162,196</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$384,156</b>	<b>(\$16,080)</b>	<b>(\$205,880)</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/18</b>	<b>7/1/19</b>	
Equity in Pooled Cash	\$0	\$389,556	
Vouchers Payable	\$0	(\$5,401)	
<b>Total Beginning Fund Balance</b>	<u>\$0</u>	<u>\$384,155</u>	