

FY 2020-21 BUDGET BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

A. Program Description

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

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	\$22,736,371	\$24,510,032	7.80%	\$4,394,205	\$6,006,127	36.68%
Construction	7,468,000	8,824,000	18.16%	2,363,500	1,941,800	(17.84%)
Revenue Bonds	403,165	353,565	(12.30%)	(1,217,100)	(1,273,540)	4.64%
SRF Loan	81,982	73,679	(10.13%)	(364,791)	(373,413)	2.36%
Wet Weather Mitig	42,000	42,000	0.00%	10,100	9,940	(1.58%)
TOTAL:	\$30,731,518	\$33,803,276	10.00%	\$5,185,914	\$6,310,914	21.69%

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	17,504	17,515	17,530	17,609	0.54%
TOTAL APNs	10,445	10,445	10,467	10,483	0.36%

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 District will continue to increase rates over and above the rate of inflation to generate funds for replacing the collection system.

FY 2020-21 BUDGET
BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

E. Summary of Issues and Significant Changes (continued)

FY 20-21 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 3.5% for FY 20-21.

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

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$15,813,048	\$15,938,308	\$125,260	0.79%
40202 Direct Charges - PY	180,000	150,000	(30,000)	(16.67%)
40999 Penalties/Costs on Taxes	48,000	40,000	(8,000)	(16.67%)
Subtotal Taxes	\$16,041,048	\$16,128,308	\$87,260	0.54%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$40,850	\$44,290	\$3,440	8.42%
44101 Rent - Real Estate	11,000	11,000	0	0.00%
Subtotal Use of Money	\$51,850	\$55,290	\$3,440	6.63%
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$2,202,788	\$2,273,332	\$70,544	3.20%
45301 Charges for Services	30,000	30,000	0	0.00%
45316 Water Conservation	16,480	16,974	494	3.00%
Subtotal Charges for Services	\$2,249,268	\$2,320,306	\$71,038	3.16%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
49002 Advances	\$4,060,000	\$0	(\$4,060,000)	(100.00%)
49003 Advances Clearing	(4,060,000)	0	4,060,000	(100.00%)
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$18,342,166	\$18,503,905	\$161,739	0.88%

EXPENDITURES:

SERVICES AND SUPPLIES

51032 Janitorial Services	\$2,000	\$6,000	\$4,000	200.00%
51061 Maintenance - Equipment	0	497,500	497,500	N/A
51076 Maint - FACOPS	2,140,900	0	(2,140,900)	(100.00%)
51201 Administration Costs	110,000	130,000	20,000	18.18%
51205 Advertising/Marketing	0	1,000	1,000	N/A
51206 Accounting/Auditing Services	7,000	10,000	3,000	42.86%
51211 Legal Services	25,000	45,000	20,000	80.00%
51231 Testing/Analysis	45,000	140,000	95,000	211.11%
51241 Outside Printing & Binding	12,000	15,000	3,000	25.00%
51244 Permits/License/Fees	55,000	75,000	20,000	36.36%
51253 County Counsel - Litigation	0	300,000	300,000	N/A
51401 Rents& Leases-Equipment	13,000	13,000	0	0.00%
51601 Training/Conference Expenses	0	2,500	2,500	N/A
51602 Business Travel/Mileage	0	1,000	1,000	N/A
51803 Other Contract Services	788,367	2,130,144	1,341,777	170.20%
51902 Telecommunication Usage	8,000	8,000	0	0.00%
51916 County Services	65,000	65,000	0	0.00%
51917 District Operations Chgs	5,649,653	6,035,000	385,347	6.82%

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
<u>SERVICES AND SUPPLIES (continued)</u>				
51921 Equipment Usage Charges	430,000	450,000	20,000	4.65%
52061 Fuel/Gas/Oil	7,000	7,000	0	0.00%
52072 Chemicals	350,000	450,000	100,000	28.57%
52081 Medical/Laboratory Supplies	30,000	33,000	3,000	10.00%
52091 Memberships/Certifications	20,000	25,000	5,000	25.00%
52111 Office Supplies	5,000	7,263	2,263	45.26%
52117 Mail and Postage Supplies	1,000	1,000	0	0.00%
52141 Minor Equipment/Small Tools	22,000	45,000	23,000	104.55%
52142 Computer Equip/Accessories	8,500	5,500	(3,000)	(35.29%)
52143 Software/Licensing Fees	5,000	7,000	2,000	40.00%
52171 Water Conservation Program	5,000	40,000	35,000	700.00%
52193 Utilities-Power	500,000	515,000	15,000	3.00%
Subtotal Services and Supplies	\$10,304,420	\$11,059,907	\$755,487	7.33%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$360,813	\$103,588	(\$257,225)	(71.29%)
53402 Depreciation Expense	4,688,000	4,604,000	(84,000)	(1.79%)
53401 Amortization Expense	44,000	44,000	0	0.00%
Subtotal Other Charges	\$5,092,813	\$4,751,588	(\$341,225)	(6.70%)
<u>APPROPRIATIONS FOR CONTINGENCIES</u>				
55011 Appropriations for Contingency	\$150,000	\$0	(\$150,000)	(100.00%)
Subtotal Approp for Contingencies	\$150,000	\$0	(\$150,000)	(100.00%)
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$7,046,138	\$8,551,537	\$1,505,399	21.36%
Subtotal Other Financing Uses	\$7,046,138	\$8,551,537	\$1,505,399	21.36%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$239,420	\$245,645	\$6,225	2.60%
59003 Advances Clearing	(239,420)	(245,645)	(6,225)	2.60%
Subtotal Admin Control Account	\$0	\$0	\$0	N/ A
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$100,000	\$103,000	\$3,000	3.00%
19841 Work in Progress - Intang	43,000	44,000	1,000	2.33%
19851 Intangible Assets - Non-amort	0	0	0	N/A
Subtotal Fixed Assets	\$143,000	\$147,000	\$4,000	2.80%
TOTAL EXPENDITURES	\$22,736,371	\$24,510,032	\$1,773,661	7.80%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$4,394,205	\$6,006,127	\$1,611,922	36.68%

FY 2020-21 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 Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 19-20 budget. The rate will increase 3.5%, from \$1,057 to \$1,094.

ESDs times annual rate:	15,452 x \$1,094	\$16,904,488
Less Estimated Delinquency Factor:	4.0%	<u>(676,180)</u>
		\$16,228,308

(See Account 45221 for Total ESDs)

40202 Direct Charges - PY

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

40999 Penalties/Costs on Taxes

This account records penalties paid on delinquent sewer service charges.

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$2,150,000
Projected Interest Rate	<u>2.06%</u>
Projected Interest on Pooled Cash	\$44,290

44101 Rent-Real Estate

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

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

45221 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	2,078 x \$1,094	=	\$2,273,332
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45221 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 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 Other Charges for Services

This account records the revenue to the District for recycled water sales.

45316 Conservation Program

This account records \$1,500 of each connection fee to support the Water Conservation Program per Ordinance 59 dated 8/8/2002.

FY 2020-21 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Operations

Character Title: Services and Supplies Character No.: 43301-33080100-51 & 52

51032 Janitorial Services

This account provides funds for custodial services.

51061 Maintenance - Equipment

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

Planned Projects Include:

Blower Improvement Project

Amount

\$97,500

51201 Administration Costs

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

51205 Advertising/Marketing

This account represents costs for advertising or marketing for the District.

51206 Accounting/Auditing Services

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

51211 Legal Services

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

51231 Testing and Analysis

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

51241 Outside Printing & Binding

This account covers the costs of outside printing services.

51244 Permits/License/Fees

This account records the cost of all permits.

51253 County Counsel - Litigation

This account covers the costs for potential litigation needs by County Counsel.

51401 Rents/Leases - Equipment

This account covers the costs of renting copiers, fax machines and other equipment as needed.

51601 Training/Conference Expenses

This account covers the cost of training and conference expenses by Agency staff.

51602 Business Travel/Mileage

This account covers the cost of travel expenses to meetings and seminars by Agency staff.

FY 2020-21 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Operations

Character Title: Services and Supplies (continued) **Character No.:** 43301-33080100-51 & 52

51803 Other Contract Services

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

Multi-year Agreements	\$176,200
NBWRA	150,000
LHMP Update	175,000
Sanitary Sewer Management Plan & Collection System Modeling	195,000
SVTP Master Plan	379,944
Other Contract Services	250,000
Year End Allocation (Maximo)	74,000
Roof Replacement Project	650,000
As-needed Equipment Rentals	30,000
As-needed Permit & Regulatory Assistance	50,000
	\$2,130,144

51902 Telecommunication Usage

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

51921 Equipment Usage Charges

This account provides funds for equipment usage.

51916 County Services

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

51917 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.

Additional Planned Projects Include:

Blower Improvement Project	\$2,500
Roof Replacement Project	25,000
Sewer/Stream Crossing	36,000
Sonoma Bank Repair	39,000
	\$102,500

51921 Equipment Usage Charges

This account represents funds for Agency equipment usage.

52061 Fuel/Gas/Oil

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

52072 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 Quality Control Board.

52081 Medical/Laboratory Supplies

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

52091 Memberships/Certifications

This account records membership dues/certificates.

52111 Office Supplies

This account records non-capitalized office expenses.

FY 2020-21 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Operations

Character Title: Services and Supplies (continued) **Character No.:** 43301-33080100-51 & 52

<p>52117 Mail and Postage Supplies This account covers the costs of the District's postage.</p> <p>52141 Minor Equipment/Small Tools This account provides funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.</p> <p>52142 Computer Equipment/Accessories This account provides funds for computer hardware as needed.</p> <p>52143 Software/Licensing Fees This account provides funds for various software packages.</p> <p>52171 Water Conservation Program This program is funded by revenue generated by the \$1,500 connection fee noted above under account 45316. This account records the cost of indoor water use efficiency programs including but not limited to indoor water use assessments/audits, fixture replacements, rebates, and the Green Business Program with the goal of inflow reduction.</p> <p>52191 Utilities This account records the cost of payments made for utilities such as water.</p> <p>52193 Utilities-Power This account records the cost of utilities such as gas and electricity.</p>

Character Title: Other Charges **Character No.:** 43301-33080100-53

<p>53103 Interest on LT Debt This account reflects interest expense on the outstanding loans from the State Revolving Fund for the Trunk Main at Watmaugh (\$39,001) and Bio-Solids (\$64,587).</p> <p>53402 Depreciation Generally Accepted Accounting Principles require that depreciation be expensed each year.</p>

Character Title: Other Financing Uses **Character No.:** 43301-33080100-57

<p>57011 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.</p>						
<p><u>Transfer to:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Revenue Bond Fund & SRF Loan</td> <td style="text-align: right; padding-right: 20px;">\$2,051,537</td> </tr> <tr> <td style="padding-left: 20px;">Construction Fund</td> <td style="text-align: right; padding-right: 20px;"><u>6,500,000</u></td> </tr> <tr> <td style="padding-left: 40px;">Total Operating Transfer</td> <td style="text-align: right; padding-right: 20px;"><u><u>\$8,551,537</u></u></td> </tr> </table>	Revenue Bond Fund & SRF Loan	\$2,051,537	Construction Fund	<u>6,500,000</u>	Total Operating Transfer	<u><u>\$8,551,537</u></u>
Revenue Bond Fund & SRF Loan	\$2,051,537					
Construction Fund	<u>6,500,000</u>					
Total Operating Transfer	<u><u>\$8,551,537</u></u>					

FY 2020-21 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - Operations

Character Title: Administrative Control Account **Character No.:** 43301-33080100-59

59002 Advances

This account reflects the principal payment for the State Revolving Loan of \$3,100,000 for the Bio-Solids Project. Term is 20 years at 2.6% interest. Repayment began FY 15-16 and final payment is scheduled for FY 34-35. The FY 20-21 request is based on the amortization schedule.

Original Amount of the Loan:	\$3,100,000
Interest accrued to principal	36,024
Total FY 15-16 through FY 19-20 Principal Payment	(651,910)
FY 20-21 Principal Payment	(137,525)
	\$2,346,589

This account reflects the principal payment for the State Revolving Loan of \$2,320,304 for the Trunk Main at Watmaugh Project. Term is 20 years at 2.6% interest. Repayment began FY 12-13 and final payment is scheduled for FY 31-32. The FY 19-20 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 19-20 Principal Payment	(820,280)
FY 20-21 Principal Payment	(108,120)
	\$1,391,904

59003 Advances - Clearing

This is the clearing account for account 59002, Advances.

Character Title: Fixed Assets **Character No.:** 43301-33080100-19

19820 Machinery & Equipment

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

19841 Work in Progress - Intang

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

FY 2020-21 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 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$4,520,011	\$4,146,130	\$7,555,590
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	17,139,103	18,457,768	18,503,905
Expenditures - (Decrease) retained earnings	(20,812,195)	(23,594,664)	(24,510,032)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>(3,673,092)</u>	<u>(5,136,896)</u>	<u>(6,006,127)</u>
Adjustments to Reserves/Encumbrances:			
53402 Depreciation Expense	\$ 3,906,645	\$ 4,688,000	\$ 4,604,000
Net Change in Encumbrance	(101,966)	-	-
Change in Prepaid Exp	(10,481)	-	-
Unrealized Gain/loss	(117,881)	-	-
Accrual of Principal Payment-Advances from Other Govts	(239,419)	(245,644)	(252,031)
Change in Reserved Fund Balance	48,043	-	-
Post Audit Adjustment	(213,800)	-	-
Advances From Other Gov't	1	-	-
Advance Principal Expenditure	-	4,060,000	-
Amortization	28,069	44,000	44,000
Advances-ISF Power Resources Fund	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>3,299,211</u>	<u>8,546,356</u>	<u>4,395,969</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$4,146,130	\$7,555,590	\$5,945,432
Target Fund Balance	\$4,776,155	\$4,926,407	\$5,529,954
Over/(Under) Target Fund Balance	(\$630,025)	\$2,629,183	\$415,478
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$373,881)	\$3,409,460	(\$1,610,158)
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/2018</u>	<u>7/1/2019</u>	
Cash	\$ 5,237,898	\$ 4,743,238	
Other Receivables-Flat Charges	149,006	173,613	
Accounts Payable	(5,313)	(14,809)	
Due From Other Funds	52,848	-	
Retention Receivable	4,363	3,042	
Loans Payable-Current	(233,352)	(239,419)	
Allowance for Uncollectible Accounts	-	(4,169)	
Due from State AR	2,384	3,165	
Vouchers Payable	(200,599)	(292,976)	
Accounts Receivable-AR Module	477,473	1,008,160	
Prepaid Expense	6,386	-	
Due To Other Governments	-	(213,800)	
Unearned Revenue	(2,099)	(2,099)	
Reserved Fund Balance	(48,043)	-	
Interest Payment	(87,177)	(82,686)	
Deposit From Others	(2,000)	(1,400)	
Contract Retention Payable	-	-	
Encumbrances (Contract)	(831,764)	(933,730)	
Total Beginning Retained Earnings	<u>\$ 4,520,011</u>	<u>\$ 4,146,130</u>	

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - CONSTRUCTION

Fund/Department ID: 43302-33080200

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$104,500	\$41,200	(\$63,300)	(60.57%)
Subtotal Use of Money	\$104,500	\$41,200	(\$63,300)	(60.57%)
<u>MISCELLANEOUS REVENUE</u>				
46021 Capital Grants-Federal	\$0	\$0	\$0	N/A
46024 Connection Fees	0	341,000	341,000	N/A
Subtotal Miscellaneous Revenue	\$0	\$341,000	\$341,000	N/A
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$5,000,000	\$6,500,000	\$1,500,000	30.00%
Subtotal Other Financing Sources	\$5,000,000	\$6,500,000	\$1,500,000	30.00%
TOTAL REVENUES	\$5,104,500	\$6,882,200	\$1,777,700	34.83%
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$7,468,000	\$8,824,000	\$1,356,000	18.16%
Subtotal Fixed Assets	\$7,468,000	\$8,824,000	\$1,356,000	18.16%
TOTAL EXPENDITURES	\$7,468,000	\$8,824,000	\$1,356,000	18.16%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$2,363,500	\$1,941,800	(\$421,700)	(17.84%)

FY 2020-21 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 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$2,000,000
Projected Interest Rate	2.06%
Projected/Planned Interest on Pooled Cash	\$41,200

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

46026 Connection Fees

This account reflects the anticipated new sewer connections to the District.

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

47101 Transfers In-within a Fund

This account reflects the transfer from the Operations Fund (\$6,500,000) to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Character Title: Fixed Assets Character No.: 43302-33080200-19

19832 CIP-Infrastructure

This account is used for expenses associated with facility improvements or expansion.
The following projects are planned for FY 20/21:

	Project No.	Amount
Trunk Main Replacement Project		\$5,674,000
Phase 4A	0	
Phase 4B.1	0	
Phase 4B.2	286,000	
Phase 4C	5,333,000	
Phase 5	55,000	
Electrical Resiliency	V0164/V0165 V0054	315,000
Local Hazard Mitigation Projects		260,000
Headworks Rehabilitation		2,575,000
Agua Caliente Creek Crossing	V0073	0
		\$8,824,000

FY 2020-21 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 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$12,386,340	\$15,739,766	\$2,159,294
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,904,164	6,926,611	6,882,200
Expenditures - (Decrease) retained earnings	(1,539,906)	(20,507,083)	(8,824,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	4,364,258	(13,580,472)	(1,941,800)
Adjustments to Reserves/Encumbrances:			
Unrealized Gains/Loss	(172,072)	-	-
Gain/Loss on Disposal Capital Assets	(3)	-	-
Change in Encumbrances	(838,758)	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	(1,010,832)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$15,739,766	\$2,159,294	\$217,494
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$3,353,426	(\$13,580,472)	(\$1,941,800)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2018	7/1/2019	
Cash	\$12,835,993	\$16,961,574	
Accounts Payable	(12,318)	(29,837)	
Due to Other Governments	(52,848)	-	
Retention Receivable	-	-	
Due from Federal AR	57,216	-	
Due from State AR	102,000	-	
Accounts Payable	(122,562)	(27,436)	
Contract Retention Payable	(95,364)	-	
Encumbrances (Contract)	(325,777)	(1,164,535)	
Total Beginning Retained Earnings	\$12,386,340	\$15,739,766	

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: **SONOMA VALLEY CSD - REVENUE BONDS**

Fund/Department ID: **43305-33080800**

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$17,100	\$18,540	\$1,440	8.42%
Subtotal Use of Money	\$17,100	\$18,540	\$1,440	8.42%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In-within a Fund	\$1,603,165	\$1,608,565	\$5,400	0.34%
Subtotal Other Financing Sources	\$1,603,165	\$1,608,565	\$5,400	0.34%
TOTAL REVENUES	\$1,620,265	\$1,627,105	\$6,840	0.42%
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$3,500	\$3,000	(\$500)	(14.29%)
Subtotal Services and Supplies	\$3,500	\$3,000	(\$500)	(14.29%)
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$393,450	\$344,350	(\$49,100)	(12.48%)
53104 Other Interest Expense	6,215	6,215	\$0	0.00%
Subtotal Other Charges	\$399,665	\$350,565	(\$49,100)	(12.29%)
<u>OTHER FINANCING USES</u>				
57011 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 Admin Control Acct	\$1,200,000	\$1,255,000	\$55,000	4.58%
59005 Admin Control Acct-Clearing	(\$1,200,000)	(1,255,000)	(55,000)	4.58%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$403,165	\$353,565	(\$49,600)	(12.30%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,217,100)	(\$1,273,540)	(\$56,440)	4.64%

FY 2020-21 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 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	\$900,000
Projected Interest Rate	2.06%
Projected/Planned Interest on Pooled Cash	\$18,540

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

47101 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 principle and interest payment.

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

51242 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 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%.

Character Title: Other Financing Uses **Character No.:** 43305-33080800-57

57011 Transfers out-within a Fund

No transfers are planned for FY 20-21.

Character Title: Administrative Control Account **Character No.:** 43305-33080800-59

59004 Admin Control Acct

This account reflects the principal payment for revenue bonds issued in 2013. Principal payments began August 2013 and will continue until maturity in August 2037.

2013 Revenue Bond	\$12,105,000
Total FY 13-14 through FY 19-20 Principal Payments	(2,235,000)
FY 20-21 Principal Payments	(1,255,000)
	\$8,615,000

59005 Admin Control Acct-Clearing

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

FY 2020-21 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 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,297,513	\$1,355,167	\$1,323,482
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,753,796	1,620,265	1,627,105
Expenditures - (Decrease) retained earnings	(432,980)	(403,165)	(353,565)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,320,816	1,217,100	1,273,540
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	(1,200,000)	(1,255,000)	(1,300,000)
Change in Mature Bonds Payable	(37,722)	-	-
Capitalized Interest	-		
Change in Cash w/Trustee Rsvd for Debt Service	(26,181)	-	-
Amortization of Debt Refunding	58,064	6,215	6,215
Amortization of Premium	(62,545)	-	-
Discount on Revenue Bonds Payable	5,221	-	-
Change in Matured Bonds Payable	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,263,163)	(1,248,785)	(1,293,785)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,355,167	\$1,323,482	\$1,303,237
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$57,654	(\$31,685)	(\$20,245)
<u>Fund Balance Components at Beginning of FY</u>	7/1/2018	7/1/2019	
Cash	\$ 2,638,463	\$ 2,729,105	
Cash with Trustee	879,961	906,142	
Cash with Trustee Res for Debt Service	(879,961)	(906,142)	
Matured Principal Payable	(1,155,000)	(1,200,000)	
Interest Payable	(185,950)	(173,938)	
Total Beginning Fund Balance	\$ 1,297,513	\$ 1,355,167	

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: **SONOMA VALLEY CSD - SRF LOAN**
Fund/Department ID: **43307-33080500**

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$3,800	\$4,120	\$320	8.42%
Subtotal Use of Money	\$3,800	\$4,120	\$320	8.42%
<u>Other Financing Sources</u>				
47101 Transfers In-within a Fund	\$442,973	\$442,972	(\$1)	(0.00%)
Subtotal Other Financing Sources	\$442,973	\$442,972	(\$1)	(0.00%)
TOTAL REVENUES	\$446,773	\$447,092	\$319	0.07%
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$81,982	\$73,679	(\$8,303)	(10.13%)
Subtotal Other Charges	\$81,982	\$73,679	(\$8,303)	(10.13%)
<u>OTHER FINANCING USES</u>				
57011 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 Admin Control Acct	\$360,991	\$369,293	\$8,302	2.30%
59005 Admin Control Acct-Clearing	(360,991)	(369,293)	(8,302)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$81,982	\$73,679	(\$8,303)	(10.13%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$364,791)	(\$373,413)	(\$8,622)	2.36%

FY 2020-21 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 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$200,000
Projected Interest Rate	<u>2.06%</u>
Projected/Planned Interest on Pooled Cash	<u>\$4,120</u>

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

47101 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

53103 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 Transfers out-within a Fund

No operating transfer will be budgeted in FY 20-21.

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

59004 Admin Control Acct

This account reflects the principal payment for the State Revolving Loan for the Tertiary Treatment Plant Upgrade Project. Term is 20 years at 2.3% interest. Replacement began FY 08-09 and final payment is scheduled for FY 27-28. FY 20-21 request is based on the amortization schedule.

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 19-20 Principal Payments:	(3,804,075)
FY 20-21 Principal Payments:	<u>(369,293)</u>
Outstanding Loan Amount	<u><u>\$2,834,134</u></u>

59005 Admin Control Acct-Clearing

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

FY 2020-21 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 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$182,137	\$185,894	\$181,392
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	457,949	446,773	447,092
Expenditures - (Decrease) retained earnings	(84,828)	(81,982)	(73,679)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	373,122	364,791	373,413
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	-	-	-
Advances - Principal Expenditure	(360,990)	(369,293)	(377,787)
Capitalized Interest	-	-	-
Unrealized Gain/Loss	(8,373)	-	-
Increase in Matured Bonds Payable	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(369,363)	(369,293)	(377,787)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$185,894	\$181,392	\$177,018
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$3,757	(\$4,502)	(\$4,374)
<u>Fund Balance Components at Beginning of FY</u>	7/1/2018	7/1/2019	
Cash	\$593,513	\$600,116	
Interest Payable	(58,502)	(53,232)	
Due to Other Government	(352,874)	(360,990)	
Total Beginning Fund Balance	\$182,137	\$185,894	

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN RESERVE
Fund/Department ID: 43308-33080600

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$3,192	\$3,461	\$269	8.42%
<i>Subtotal Use of Money</i>	\$3,192	\$3,461	\$269	8.42%
<u>Other Financing Sources</u>				
47101 Transfers In-within a Fund	\$0	\$0	\$0	N/A
<i>Subtotal Other Financing Sources</i>	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$3,192	\$3,461	\$269	8.42%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$3,192)	(\$3,461)	(\$269)	8.42%

FY 2020-21 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 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	\$168,000
Projected Interest Rate	<u>2.06%</u>
Projected/Planned Interest on Pooled Cash	\$3,461

FY 2020-21 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 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$368,455	\$376,074	\$379,266
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	12,834	3,192	3,461
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	12,834	3,192	3,461
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	-5,215	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(5,215)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$376,074	\$379,266	\$382,727
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$7,619	\$3,192	\$3,461
<u>Fund Balance Components at Beginning of FY</u>	7/1/2018	7/1/2019	
Cash	\$368,455	\$376,074	
Total Beginning Fund Balance	\$368,455	\$376,074	

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE

Fund/Department ID: 43309-33080700

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$1,577	\$1,710	\$133	8.42%
Subtotal Use of Money	\$1,577	\$1,710	\$133	8.42%
<u>Other Financing Sources</u>				
47101 Transfers In -within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Sources	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$1,577	\$1,710	\$133	8.42%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,577)	(\$1,710)	(\$133)	8.42%

FY 2020-21 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 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	\$83,000
Projected Interest Rate	<u>2.06%</u>
Projected/Planned Interest on Pooled Cash	\$1,710

FY 2020-21 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 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$158,391	\$161,667	\$163,244
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,517	1,577	1,710
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	5,517	1,577	1,710
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	-2,241	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(2,241)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$161,667	\$163,244	\$164,954
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$3,276	\$1,577	\$1,710
<u>Fund Balance Components at Beginning of FY</u>	7/1/2018	7/1/2019	
Cash	\$158,391	\$161,667	
Total Beginning Fund Balance	\$158,391	\$161,667	

FY 2020-21 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: Sonoma Valley CSD - Wet Weather Mitigation
Fund/Department ID: 43310-33081000

Account No. and Title	Adopted 2019-20	Requested 2020-21	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$1,900	\$2,060	\$160	8.42%
Subtotal Use of Money	\$1,900	\$2,060	\$160	8.42%
<u>CHARGES FOR SERVICES</u>				
45306 Mitigation Fees-Residential	\$30,000	\$30,000	\$0	0.00%
Subtotal Charges for Services	\$30,000	\$30,000	\$0	0.00%
TOTAL REVENUES	\$31,900	\$32,060	\$160	0.50%
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51061 Maintenance - Equipment	\$30,000	\$30,000	\$0	0.00%
Subtotal Services and Supplies	\$30,000	\$30,000	\$0	0.00%
<u>OTHER CHARGES</u>				
53402 Depreciation Expense	\$12,000	\$12,000	\$0	0.00%
Subtotal Other Charges	\$12,000	\$12,000	\$0	0.00%
TOTAL EXPENDITURES	\$42,000	\$42,000	\$0	0.00%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$10,100	\$9,940	(\$160)	(1.58%)

FY 2020-21 BUDGET
CHARACTER JUSTIFICATION

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

Character Title: Use of Money Character No.: 43310-33081000-44

44002 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	\$100,000
Projected Interest Rate	2.06%
Projected/Planned Interest on Pooled Cash	\$2,060

Character Title: Charges for Services Character No.: 43310-33081000-45

45306 Mitigation Fees-Residential

Mitigation fees received.

Character Title: Services & Supplies Character No.: 43310-33081000-51

51061 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.

Character Title: Other Charges Character No.: 43310-33081000-53

53402 Depreciation

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

FY 2020-21 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - Wet Weather Mitigation
Fund/Department ID: 43310-33081000

DESCRIPTION OF FUND ACTIVITY	Actual FY 18-19	Estimated FY 19-20	Requested FY 20-21
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$305,485	\$311,536	313,436
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	9,695	31,900	32,060
Expenditures - (Decrease) retained earnings	(11,960)	(42,000)	(42,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(2,264)	(10,100)	(9,940)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	(3,645)	-	-
Depreciation	11,960	\$12,000	\$12,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	8,315	12,000	12,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$311,536	\$313,436	\$315,496
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$6,051	\$1,900	\$2,060
<u>Fund Balance Components at Beginning of FY</u>	7/1/2018	7/1/2019	
Cash	\$185,485	\$311,536	
Accounts Receivable-AR Module	120,000	0	
Total Beginning Fund Balance	\$305,485	\$311,536	