

SONOMA COUNTY WATER AGENCY

FY 21-22 BUDGET REQUEST

COUNTY SANITATION DISTRICTS

TABLE OF CONTENTS

	Page
Budget Section Summary – Sanitation Districts	
Financial Summary	1
Occidental CSD	
Budget Section Summary	1
Occidental CSD - Operations	
Summary of Revenues and Expenditures	3
Character Justification	5
Statement of Special Fund Activity	8
Occidental CSD - Construction	
Summary of Revenues and Expenditures	9
Character Justification	10
Statement of Special Fund Activity	11
Russian River CSD	
Budget Section Summary	1
Russian River CSD - Operations	
Summary of Revenues and Expenditures	3
Character Justification	5
Statement of Special Fund Activity	10
Russian River CSD - Construction	
Summary of Revenues and Expenditures	11
Character Justification	12
Statement of Special Fund Activity	13
Russian River CSD – State Loan Reserve	
Summary of Revenues and Expenditures	14
Character Justification	15
Statement of Special Fund Activity	16

COUNTY SANITATION DISTRICTS

TABLE OF CONTENTS (Continued)

	Page
Sonoma Valley CSD	
Budget Section Summary	1
Sonoma Valley CSD - Operations	
Summary of Revenues and Expenditures	3
Character Justification	5
Statement of Special Fund Activity	10
Sonoma Valley CSD - Construction	
Summary of Revenues and Expenditures	11
Character Justification	12
Statement of Special Fund Activity	13
Sonoma Valley CSD – 2021 Bonds	
Summary of Revenues and Expenditures	14
Character Justification	15
Statement of Special Fund Activity	16
Sonoma Valley CSD – State Revolving Funds Loan	
Summary of Revenues and Expenditures	17
Character Justification	18
Statement of Special Fund Activity	19
Sonoma Valley CSD – State Revolving Funds Loan Reserve	
Summary of Revenues and Expenditures	20
Character Justification	21
Statement of Special Fund Activity	22
Sonoma Valley CSD – State Loan Reserve	
Summary of Revenues and Expenditures	23
Character Justification	24
Statement of Special Fund Activity	25
Sonoma Valley CSD – Revenue Bonds	
Summary of Revenues and Expenditures	26
Character Justification	27
Statement of Special Fund Activity	28
Sonoma Valley CSD – Wet Weather Mitigation	
Summary of Revenues and Expenditures	29
Character Justification	30
Statement of Special Fund Activity	31
South Park CSD	
Budget Section Summary	1
South Park CSD - Operations	
Summary of Revenues and Expenditures	3
Character Justification	5
Statement of Special Fund Activity	8
South Park CSD - Construction	
Summary of Revenues and Expenditures	9
Character Justification	10
Statement of Special Fund Activity	11
South Park CSD – 2005 Revenue Bonds	
Summary of Revenues and Expenditures	12
Character Justification	13
Statement of Special Fund Activity	14

FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title:

COUNTY SANITATION DISTRICTS

Financial Summary

Section	REVENUES				
	FY 19-20 Actuals	FY 20-21 Adopted	FY 21-22 Requested	Amount of Change	Percent Change

OCcidental CSD - OPERATIONS

Direct Charges	\$628,712	\$638,795	\$664,306	\$25,511	3.99%
Monitored Users	\$0	\$0	\$0	\$0	N/A
Grants	\$710	\$0	\$0	\$0	N/A
Misc	\$11,324	\$2,884	\$5,000	\$2,116	73.37%
New Hookups	\$21,155	\$25,040	\$23,436	(\$1,604)	(6.41%)
Water Conservation	\$0	\$0	\$0	\$0	N/A
OT From General Fund	\$492,400	\$800,000	\$925,000	\$125,000	15.63%
TOTAL:	\$1,154,301	\$1,466,719	\$1,617,742	\$151,023	10.30%

RUSSIAN RIVER CSD - OPERATIONS

Direct Charges	\$5,198,047	\$5,208,077	\$5,414,667	\$206,590	3.97%
Monitored Users	\$0	\$0	\$0	\$0	N/A
Grants	\$127,862	\$0	\$75,000	\$75,000	N/A
Misc	\$63,764	\$133,610	\$5,000	(\$128,610)	(96.26%)
New Hookups	\$46,405	\$54,592	\$49,672	(\$4,920)	(9.01%)
Water Conservation	\$0	\$0	\$0	\$0	N/A
OT From General Fund	\$350,000	\$100,000	\$600,000	\$500,000	500.00%
TOTAL:	\$5,786,077	\$5,496,279	\$6,144,339	\$648,060	11.79%

SONOMA VALLEY CSD - OPERATIONS

Direct Charges	\$15,582,724	\$16,128,308	\$16,137,905	\$9,597	0.06%
Monitored Users	\$1,369,706	\$2,273,332	\$1,287,933	(\$985,399)	(43.35%)
Grants	\$84,263	\$0	\$0	\$0	N/A
Misc	\$110,708	\$55,290	\$31,000	(\$24,290)	(43.93%)
New Hookups	\$145,141	\$30,000	\$130,000	\$100,000	333.33%
Water Conservation	\$101,520	\$16,974	\$60,000	\$43,026	253.47%
OT From General Fund	\$0	\$0	\$0	\$0	N/A
TOTAL:	\$17,394,062	\$18,503,904	\$17,646,838	(\$857,066)	(4.63%)

SOUTH PARK CSD - OPERATIONS

Direct Charges	\$4,011,875	\$4,247,526	\$4,293,315	\$45,789	1.08%
Monitored Users	\$0	\$0	\$0	\$0	N/A
Grants	\$0	\$0	\$0	\$0	N/A
Misc	\$126,358	\$41,200	\$30,000	(\$11,200)	(27.18%)
New Hookups	\$70,597	\$104,737	\$75,180	(\$29,557)	(28.22%)
Water Conservation	\$0	\$0	\$0	\$0	N/A
OT From General Fund	\$0	\$0	\$0	\$0	N/A
TOTAL:	\$4,208,831	\$4,393,463	\$4,398,495	\$5,032	0.11%

CSD TOTAL

TOTAL:	\$28,543,271	\$29,860,365	\$29,807,414	(\$52,951)	(0.18%)
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FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title: COUNTY SANITATION DISTRICTS

Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 20-21 Adopted	FY 21-22 Requested	Percent Change	FY 20-21 Adopted	FY 21-22 Requested	Percent Change
OCcidental CSD						
Operations	\$1,366,400	\$2,091,000	53.03%	(\$100,319)	\$473,258	(571.75%)
Construction	51,000	450,000	782.35%	794	(251,500)	(31775.06%)
TOTAL:	\$1,417,400	\$2,541,000	79.27%	(\$99,525)	\$221,758	(322.82%)
RUSSIAN RIVER CSD						
Operations	\$7,165,867	\$6,720,974	(6.21%)	\$1,669,588	\$576,635	(65.46%)
Revenue Bonds	0	0	N/A	0	0	N/A
Construction	2,654,591	799,680	(69.88%)	(391,778)	637,680	(262.77%)
TOTAL:	\$9,820,458	\$7,520,654	(23.42%)	\$1,277,810	\$1,214,315	(4.97%)
SONOMA VALLEY CSD						
Operations	\$24,510,032	\$20,326,240	(17.07%)	\$6,006,128	\$2,679,402	(55.39%)
Construction	8,824,000	9,641,195	9.26%	1,941,800	(5,257,102)	(370.73%)
Revenue Bonds	353,565	11,065,165	3029.60%	(1,273,540)	9,449,200	(841.96%)
SRF Loan	73,679	65,186	(11.53%)	(373,413)	(379,657)	1.67%
Wet Weather Mitigation	42,000	42,000	0.00%	9,940	8,800	(11.47%)
TOTAL:	\$33,803,276	\$41,139,786	21.70%	\$6,310,915	\$6,500,643	3.01%
SOUTH PARK CSD						
Operations	\$8,440,378	\$4,961,428	(41.22%)	\$4,046,915	\$562,933	(86.09%)
Revenue Bonds	43,370	39,043	(9.98%)	(173,398)	(177,885)	2.59%
Construction	375,000	700,000	86.67%	(4,675,800)	(799,900)	82.89%
TOTAL:	\$8,858,748	\$5,700,471	(35.65%)	(\$802,283)	(\$414,852)	(48.29%)
CSD TOTAL						
TOTAL:	\$53,899,882	\$56,901,911	5.57%	\$6,686,917	\$7,521,864	12.49%

FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title: OCCIDENTAL COUNTY SANITATION DISTRICT

A. Program Description

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

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 20-21 Adopted	FY 21-22 Requested	Percent Change	FY 20-21 Adopted	FY 21-22 Requested	Percent Change
Operations	\$1,366,400	\$2,091,000	53.03%	(\$100,319)	\$473,258	(571.75%)
Construction	51,000	450,000	782.35%	794	(251,500)	(31775.06%)
TOTAL:	\$1,417,400	\$2,541,000	79.27%	(\$99,525)	\$221,758	(322.82%)

C. Staffing Summary

No staffing is allocated to this fund.

D. Workload Summary

Workload Indicator	FY 19-20 Actual	FY 20-21 Budget Estimate	FY 20-21 Revised Estimate	FY 21-22 Projected	Change from FY 20-21 Budget Estimate
Total ESDs	273	273	273	273	0.00%
Total APNs	99	99	99	99	0.00%

E. Summary of Issues and Significant Changes

The requested rate per equivalent single family dwelling (ESD) for FY 21-22 annual service charges is \$2,604 representing a 4.0% increase from FY 20-21. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 20-21 budget.

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

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

For FY 21-22 revenues will once again not cover routine operating expenses. Transfers from the Water Agency's General Fund will be made to cover shortage and will not be recovered from the Occidental CSD.

FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title:

OCCIDENTAL COUNTY SANITATION DISTRICT

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 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$612,795	\$638,306	\$25,511	4.16%
40202 Direct Charges - PY	25,000	25,000	0	0.00%
40999 Penalties/Costs on Taxes	1,000	1,000	0	0.00%
Subtotal Taxes	\$638,795	\$664,306	\$25,511	3.99%
<u>INTERGOVERNMENTAL</u>				
42358 State Other Funding	\$0	\$0	\$0	N/A
42610 Other Government Agencies	800,000	925,000	125,000	15.63%
Subtotal Intergovernmental	\$800,000	\$925,000	\$125,000	15.63%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$2,884	\$5,000	\$2,116	73.37%
Subtotal Use of Money	\$2,884	\$5,000	\$2,116	73.37%
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$25,040	\$23,436	(\$1,604)	(6.41%)
Subtotal Charges for Services	\$25,040	\$23,436	(\$1,604)	(6.41%)
TOTAL REVENUES	\$1,466,719	\$1,617,742	\$151,023	10.30%

EXPENDITURES:

SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$400,000	\$120,000	(\$280,000)	(70.00%)
51201 Administration Services	5,000	5,800	800	16.00%
51206 Accounting/Auditing Services	10,000	9,800	(200)	(2.00%)
51211 Legal Services	2,000	3,000	1,000	50.00%
51231 Testing/Analysis	40,000	11,000	(29,000)	(72.50%)
51241 Outside Printing & Binding	1,000	200	(800)	(80.00%)
51244 Permits/License/Fees	6,000	35,000	29,000	483.33%
51401 Rents & Leases-Equipment	4,000	5,000	1,000	25.00%
51803 Other Contract Services	81,300	54,500	(26,800)	(32.96%)
51902 Telecommunication Usage	500	500	0	0.00%
51916 County Services	2,600	5,000	2,400	92.31%
51917 District Operations Chgs	535,000	765,700	230,700	43.12%

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
EXPENDITURES:				
<u>SERVICES AND SUPPLIES (Contd.)</u>				
51921 Equipment Usage Charges	25,000	157,500	132,500	530.00%
52072 Chemicals	5,000	0	(5,000)	(100.00%)
52111 Office Supplies	500	0	(500)	(100.00%)
52141 Minor Equipment/Small Tools	2,000	0	(2,000)	(100.00%)
52171 Water Conservation Prog	3,500	7,000	3,500	100.00%
52193 Utilities-Power	20,000	20,000	0	0.00%
Subtotal Services and Supplies	\$1,143,400	\$1,200,000	\$56,600	4.95%
 <u>OTHER CHARGES</u>				
53402 Depreciation Expense	\$158,000	\$181,000	\$23,000	14.56%
53501 Contributions/Donations	0	0	0	N/A
Subtotal Other Charges	\$158,000	\$181,000	\$23,000	14.56%
 <u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$50,000	\$700,000	\$650,000	1300.00%
Subtotal Other Financing Uses	\$50,000	\$700,000	\$650,000	1300.00%
 <u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$15,000	\$10,000	(\$5,000)	(33.33%)
Subtotal Fixed Assets	\$15,000	\$10,000	(\$5,000)	(33.33%)
TOTAL EXPENDITURES	\$1,366,400	\$2,091,000	\$724,600	53.03%
 TOTAL NET COST				
<i>(Expenditures Minus Revenues)</i>	(\$100,319)	\$473,258	\$573,577	(571.75%)

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

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

40003 Direct Charges - CY

Flat Charge revenue from annual service charges is expected to increase from the adopted FY 20-21 budget. The rate will increase 4.0% from \$2,504 to \$2,604.

ESDs times annual rate:	264 x \$2,604	\$687,456
Less Estimated Delinquency Factor:	3.4%	(23,150)
		<u>\$664,306</u>

(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: Intergovernmental Character No.: 43101-33060100-42

42610 Sonoma County Water Agency Revenue

This account records a transfer from Water Agency General Fund to provide funds to operate the treatment plant. These funds will not be recovered.

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

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	\$500,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$5,000</u>

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

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 21-22 ESDs, the District will experience an increase in revenue for invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$2,504 to \$2,604.

ESDs x Annual Charge	9 x \$2,604	=	\$23,436
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FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Services and Supplies Character No.: 43101-33060100-51 & 52

51061 Maintenance - Equipment

This account records the costs for routine maintenance of equipment.

Additional Planned Projects:

Sludge Removal	\$40,000
Rehab six manholes	25,000
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	\$65,000

51201 Administration Costs

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

51206 Accounting/Auditing Services

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

51211 Legal Services

This account is requested to provide funds for 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 is requested to cover the costs of printing services, which are primarily furnished by outside printing and binding services.

51244 Permits/License/Fees

This account records the cost of all permits.

51401 Rents/Leases-Equipment

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

51421 Rents/Leases-Buildings/Land

This account represents costs for the lease agreement for storage and irrigation of wastewater effluent.

51803 Other Contract Services

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

Multi-year agreement - audit	\$9,500
Other Contract Services - as needed	30,000
Permitting Assistance	15,000
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	\$54,500

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Services and Supplies (Continued) Character No.: 43101-33060100-51 & 52

51902 Telecommunication Usage

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

51916 County Services

This account records the expense for special district accounting services.

51917 District Operations

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

Additional Planned Projects:

Graton Feasibility Study	O0056	\$142,000
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51921 Equipment Usage Charges

This item is requested to provide funds for equipment usage.

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 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.

52193 Utilities - Power

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

Character Title: Other Charges Character No.: 43101-33060100-53

53402 Depreciation

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

Character Title: Other Financing Uses Character No.: 43101-33060100-57

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 uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Character Title: Fixed Assets Character No.: 43101-33060100-19

19840 Work in Progress - Equipment

This account is used for the purchase of equipment that is a fixed or movable tangible asset used for operations.

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Occidental CSD - Operations
Fund/Department ID: 43101-33060100

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$470,075	\$492,757	\$657,866
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,154,301	1,567,694	1,617,742
Expenditures - (Decrease) retained earnings	(1,371,656)	(1,560,585)	(2,091,000)
	(217,355)	7,109	(473,258)
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
Adjustments to Reserves/Encumbrances:			
Depreciation (53402)	149,774	158,000	181,000
Post Audit Adjustment	-	-	-
Unrealized Gain/loss	(2,953)	-	-
Change in Encumbrance	93,217	-	-
	240,038	158,000	181,000
Net Adjustment - Increase/(Decrease) to Retained Earnings			
	240,038	158,000	181,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$492,757	\$657,866	\$365,608
Target Fund Balance	\$610,808	\$582,517	\$600,000
Over/(Under) Target Fund Balance	(\$118,051)	\$75,349	(\$234,392)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$22,682	\$165,109	(\$292,258)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$751,388	\$587,005	
Other Receivables (Flat Charges)	27,345	50,475	
Accounts Payable	(58,890)	(1,488)	
Retention Receivable	432	-	
Due from Other Governments	-	503	
Encumbrances	(236,815)	(143,598)	
Vouchers Payable	(13,385)	(140)	
	\$ 470,075	\$ 492,757	
Total Beginning Retained Earnings			

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 Interest on Pooled Cash	\$206	\$1,500	\$1,294	628.16%
Subtotal Use of Money	\$206	\$1,500	\$1,294	628.16%
MISCELLANEOUS REVENUE				
46021 Capital Grants-Federal	\$0	\$0	\$0	N/A
46022 Capital Grants-State	0	0	0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
OTHER FINANCING SOURCES				
47101 Transfers In -within a Fund	\$50,000	\$700,000	\$650,000	1300.00%
Subtotal Other Financing Sources	\$50,000	\$700,000	\$650,000	1300.00%
TOTAL REVENUES	\$50,206	\$701,500	\$651,294	1297.24%
EXPENDITURES:				
FIXED ASSETS				
19832 CIP - Infrastructure	\$51,000	\$450,000	\$399,000	782.35%
Subtotal Fixed Assets	\$51,000	\$450,000	\$399,000	782.35%
TOTAL EXPENDITURES	\$51,000	\$450,000	\$399,000	782.35%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$794	(\$251,500)	(\$252,294)	(31775.06%)

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Occidental CSD - Construction

Character Title: Use of Money

Character No.: 43102-33060200-44

44002 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	\$150,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	\$1,500

Character Title: Other Financing Sources

Character No.: 43102-33060200-47

47101 Transfers in-within a Fund

This account records the transfer of cash from the Operation Fund to the Construction Fund to finance Buildings/Improvements. There are is a planned transfer of \$700,000 for FY 21-22.

Character Title: Fixed Assets

Character No.: 43102-33060200-19

19832 CIP-Infrastructure

This account is used for expenses associated with facility improvements or expansion.
The following project is planned for FY 21-22:

Occidental-Graton Pipeline	\$450,000
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FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Occidental CSD - Construction
Fund/Department ID: 43102-33060200

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$338,475	\$62,913	\$73,913
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	6,900	\$62,000	701,500
Expenditures - (Decrease) retained earnings	(283,531)	(\$51,000)	(450,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(276,631)	11,000	251,500
Adjustments to Reserves/Encumbrances:			
Change in Encumbrance	-	-	-
Post Audit Adjustment	-	-	-
Unrealized Gain/loss	1,069	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	1,069	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$62,913	\$73,913	\$325,413
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$275,562)	\$11,000	\$251,500
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$667,083	\$153,312	
Vouchers Payable	(214,522)	-	
Accounts Payable	(23,687)	-	
Retention Payable	(12,091)	(12,091)	
Encumbrances	(78,308)	(78,308)	
Total Beginning Retained Earnings	\$338,475	\$62,913	

FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title: RUSSIAN RIVER 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 Russian River area.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 20-21 Adopted	FY 21-22 Requested	Percent Change	FY 20-21 Adopted	FY 21-22 Requested	Percent Change
Operations	\$7,165,867	\$6,720,974	(6.21%)	\$1,669,588	\$576,635	(65.46%)
Revenue Bonds	0	0	N/A	0	0	N/A
Construction	2,654,591	799,680	(69.88%)	(391,778)	637,680	(262.77%)
TOTAL:	\$9,820,458	\$7,520,654	(23.42%)	\$1,277,810	\$1,214,315	(4.97%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 19-20 Actual	FY 20-21 Budget Estimate	FY 20-21 Revised Estimate	FY 21-22 Projected	Change from FY 20-21 Budget Estimate
TOTAL ESDs	3,213	3,213	3,213	3,213	0.00%
TOTAL APNs	2,497	2,497	2,497	2,497	0.00%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 21-22 annual service charges is \$1,774, representing a 4.0% increase from FY 20-21. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 20-21 budget. This revenue change is primarily due to the rate increase.

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

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

F. Summary of Reduction Options

No reduction options are proposed.

DRAFT

FY 2021-22 BUDGET
BUDGET SECTION SUMMARY

Section Title:

RUSSIAN RIVER COUNTY SANITATION DISTRICT

G. Attachments

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

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$5,048,077	\$5,254,667	\$206,590	4.09%
40202 Direct Charges-PY	130,000	130,000	0	0.00%
40999 Penalties/Costs on Taxes	30,000	30,000	0	0.00%
Subtotal Taxes	\$5,208,077	\$5,414,667	\$206,590	3.97%
<u>INTERGOVERNMENTAL</u>				
42461 Federal Other Funding	\$0	\$75,000	\$75,000	N/A
42610 Other Governmental Agencies	100,000	600,000	500,000	500.00%
Subtotal Intergovernmental	\$100,000	\$675,000	\$575,000	575.00%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$12,360	\$5,000	(\$7,360)	(59.55%)
Subtotal Use of Money	\$12,360	\$5,000	(\$7,360)	(59.55%)
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$54,592	\$49,672	(\$4,920)	(9.01%)
Subtotal Charges for Services	\$54,592	\$49,672	(\$4,920)	(9.01%)
<u>RESIDUAL EQUITY TRANSFERS</u>				
48004 Residual Equity Transfers	\$121,250	\$0	(\$121,250)	(100.00%)
Subtotal Residual Equity Transfers	\$121,250	\$0	(\$121,250)	(100.00%)
TOTAL REVENUES	\$5,496,279	\$6,144,339	\$648,060	11.79%

EXPENDITURES:

SERVICES AND SUPPLIES

51032 Janitorial Services	\$2,500	\$2,600	\$100	4.00%
51061 Maintenance - Equipment	290,570	330,000	39,430	13.57%
51201 Administration Services	40,000	47,000	7,000	17.50%
51205 Advertising Marketing Serv	0	600	600	N/A
51206 Accounting/Auditing Service	13,000	10,700	(2,300)	(17.69%)
51211 Legal Services	4,000	9,000	5,000	125.00%
51231 Testing/Analysis	300,000	340,000	40,000	13.33%
51241 Outside Printing & Binding	3,000	2,500	(500)	(16.67%)
51244 Permits/License/Fees	15,000	16,000	1,000	6.67%
51401 Rents & Leases-Equipment	40,000	39,000	(1,000)	(2.50%)
51601 Training/Conference Exp	0	200	200	N/A
51803 Other Contract Services	648,430	475,200	(173,230)	(26.72%)
51902 Telecommunication Usage	5,000	4,300	(700)	(14.00%)
51916 County Services	15,000	15,000	0	0.00%
51917 District Operations Chgs	2,906,130	3,380,000	473,870	16.31%

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
<u>SERVICES AND SUPPLIES (cont'd)</u>				
51921 Equipment Usage Charges	100,000	136,500	36,500	36.50%
52061 Fuel/Gas/Oil	10,000	0	(10,000)	(100.00%)
52071 Materials and Supplies Expense	4,000	3,600	(400)	(10.00%)
52072 Chemicals	12,000	15,000	3,000	25.00%
52081 Medical/Laboratory Supplies	7,000	19,000	12,000	171.43%
52091 Membership	0	500	500	N/A
52111 Office Supplies	3,000	3,700	700	23.33%
52117 Mail and Postage Supplies	0	100	100	N/A
52141 Minor Equipment/Small Tools	14,000	10,000	(4,000)	(28.57%)
52142 Computer Equip/Accessories	0	23,500	23,500	N/A
52143 Software/Licensing Fees	1,000	14,000	13,000	1300.00%
52171 Water Conservation Program	18,000	26,000	8,000	44.44%
52191 Utilities	2,000	2,500	500	25.00%
52193 Utilities-Power	160,000	155,000	(5,000)	(3.13%)
<i>Subtotal Services and Supplies</i>	<u>\$4,613,630</u>	<u>\$5,081,500</u>	<u>\$467,870</u>	<u>10.14%</u>
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$61,237	\$53,474	(\$7,763)	(12.68%)
53401 Amortization Exp	17,000	17,000	0	0.00%
53402 Depreciation Expense	1,464,000	1,559,000	95,000	6.49%
<i>Subtotal Other Charges</i>	<u>\$1,542,237</u>	<u>\$1,629,474</u>	<u>\$87,237</u>	<u>5.66%</u>
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$0	\$0	\$0	N/A
19841 Work in Progress - Intang	10,000	10,000	0	0.00%
19851 Intangible Assets - Non-amort	0	0	0	N/A
<i>Subtotal Fixed Assets</i>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$1,000,000	\$0	(\$1,000,000)	(100.00%)
<i>Subtotal Other Financing Uses</i>	<u>\$1,000,000</u>	<u>\$0</u>	<u>(\$1,000,000)</u>	<u>(100.00%)</u>
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$306,830	\$314,593	\$7,763	2.53%
59003 Advances Clearing	(306,830)	(314,593)	(7,763)	2.53%
<i>Subtotal Administrative Control</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL EXPENDITURES	<u>\$7,165,867</u>	<u>\$6,720,974</u>	<u>(\$444,893)</u>	<u>(6.21%)</u>
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	<u>\$1,669,588</u>	<u>\$576,635</u>	<u>(\$1,092,953)</u>	<u>(65.46%)</u>

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

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

40003 Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 20-21 budget. The rate will increase 4.0%, from \$1,706 to \$1,774.

ESDs times annual rate:	3,185 x \$1,774	\$5,650,190
Less Estimated Delinquency Factor:	4.2%	(235,523)
		<u>\$5,414,667</u>

(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: Intergovernmental Character No.: 43101-33060100-42

42610 Sonoma County Water Agency Revenue

This account records a transfer from Water Agency General Fund to provide funds to operate the treatment plant. These funds will not be recovered.

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

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	\$500,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$5,000</u>

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

45221 Sanitation Services

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through account 40003, Direct Charges, in the following year based on projected FY 21-22 ESDs, the District will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,706 to \$1,774.

ESDs x Annual Charge	28 x \$1,774	=	\$49,672
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FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Services and Supplies

Character No.: 43201-33070100-51 & 52

51032 Janitorial Services

This account provides funds for custodial services.

51061 Maintenance - Equipment

This account records the costs for routine maintenance of equipment.

Additional Planned Projects:

Electrical Upgrade - 3 Lift Stations	\$45,000
Concrete Projects	50,000
Aeration Basin Blower	15,000
Effluent Pump	70,000
	<hr/>
	\$180,000

51201 Administration Costs

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

51205 Advertising Marketing Services

This account covers the costs of advertisements and other marketing services.

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 provides funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

51231 Testing/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 Permit/License/Fees

This account records the cost of all permits.

51401 Rents & Leases - Equipment

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

51601 Training/Conference Exp

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

51803 Other Contract Services

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

Additional Planned Projects:

Regulatory Assistance	\$25,000
Local Hazard Mitigation Program Update	25,000
Safeway Collection System Repair (M31-4/M36-14) R0116	175,000
Pipeline Crossing Vulnerability Assessment (Grant Funded)	145,200
Multi-year agreements	20,000
Other Contract Services	85,000
	<hr/>
	\$475,200

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Services and Supplies (Continued) Character No.: 43201-33070100-51 & 52

51902 Telecommunications Usage

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

51916 County Services

This account records the expense for special district accounting services.

51917 District Operations

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

Additional Planned Projects:

Community Power Resilience Grant	\$10,000
SCADA Upgrade Pilot	295,000
	<hr/>
	\$305,000

51921 Equipment Usage Charges

This account provides funds for equipment usage.

52061 Fuel/Gas/Oil

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

52071 Materials and Supplies Expense

This account records the costs of operational materials and supplies used by the District.

52072 Chemicals

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

52081 Medical/Laboratory Supplies

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

52111 Office Supplies

This account covers the costs of operational supplies used by the District.

52091 Memberships/Certifications

This account records membership dues/certificates.

52117 Mail and Postage Supplies

This account covers the costs of the District's postage.

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.

52142 Computer Equipment/Accessories

This account provides funds for computer hardware as needed. FY 21-22 includes \$23,500 for SCADA pilot project.

52143 Software/Licensing Fees

This account covers the cost of computer software and licensing fees, as needed.

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Services and Supplies (Continued) Character No.: 43201-33070100-51 & 52

52171 Water Conservation Program

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.

52191 Utilities

This account records the cost of utilities such as water and propane.

52193 Utilities Power

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

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

53103 Interest on LT Debt

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

53402 Depreciation Expense

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

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

57011 Transfers out-within a Fund

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

Transfer to Revenue Bond Fund	\$0
Transfer to Construction Fund	0
Total Operating Transfer	<u>\$0</u>

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

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

59002 Advances

This account reflects the principal payment for the State Revolving Loan for the Third Unit Processes Project. Payments on the loan will continue until FY 24-25.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$3,800,969
Total FY 05-06 through FY 20-21 Principal Payment:	(2,883,225)
FY 21-22 Principal Payment:	<u>(211,011)</u>
Outstanding Loan Amount	\$706,733

This account reflects the principal payment for the anticipated State Revolving Loan for the Disinfection Basin Project. Original Loan was for \$3,884,450 with a forgiveness of \$1,942,225. Payments will continue until FY 31-32.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$1,942,225
Total FY 12-13 through FY 20-21 Principal Payment	(728,137)
FY 21-22 Principal Payment:	<u>(93,582)</u>
Outstanding Loan Amount	\$1,120,506

59003 Advances - Clearing

This is the clearing account for account 59002, Advances.

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

19841 Work in Progress - Intang

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

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Russian River CSD - Operations
Fund/Department ID: 43201-33070100

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,565,317	\$1,457,378	\$192,839
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,786,076	6,112,811	6,144,339
Expenditures - (Decrease) retained earnings	(7,078,758)	(8,543,758)	(6,720,974)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,292,682)	(2,430,947)	(576,635)
Adjustments to Reserves/Encumbrances:			
Depreciation (53402)	1,463,140	1,464,000	1,559,000
Advances (59002)	(306,830)	(314,592)	(314,592)
Unrealized Gain/loss	9,334	-	-
Change in Prepaid Expense	15	-	-
Post Audit Adjustment	(9,268)	-	-
Amortization	7,556	17,000	17,000
Net Change in Encumbrance	20,796	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	1,184,743	1,166,408	1,261,408
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,457,378	\$192,839	\$877,613
Target Fund Balance	\$2,091,867	\$3,120,000	\$2,540,750
<i>Over/(Under) Target Fund Balance</i>	(\$634,489)	(\$2,927,161)	(\$1,663,137)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$107,939)	(\$1,264,539)	\$684,773
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Equity in Pooled Cash	\$2,203,851	\$2,016,364	
Due from State/Federal/Other Gov AR	681	38,245	
Other Receivables (Flat Charges)	341,297	373,902	
Allowance for Uncollectible Accounts	(1,484)	-	
Vouchers Payable	(71,609)	(47,009)	
Accounts Receivable-AR Module	1,484	-	
Accounts Payable	-	(9,568)	
Contract Retention Receivable	1,561	-	
Loan Payable-Current	(299,259)	(306,830)	
Due to State/Federal	-	(21,057)	
Interest Payable	(28,588)	(24,848)	
Encumbrances (Contract)	(582,617)	(561,821)	
Total Beginning Retained Earnings	\$1,565,317	\$1,457,378	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: RUSSIAN RIVER CSD - CONSTRUCTION
Fund/Department ID: 43202-33070200

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$103	\$3,000	\$2,897	2812.62%
Subtotal Use of Money	\$103	\$3,000	\$2,897	2812.62%
<u>MISCELLANEOUS REVENUE</u>				
46021 Capital Grants - Federal	\$1,870,313	\$0	(\$1,870,313)	(100.00%)
46022 Capital Grants - State	166,953	150,000	(16,953)	(10.15%)
46024 Connection Fees	9,000	9,000	0	0.00%
46040 Miscellaneous Revenue	0	0	0	N/A
Subtotal Miscellaneous Revenue	\$2,046,266	\$159,000	(\$1,887,266)	(92.23%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers in-within a Fund	\$1,000,000	\$0	(\$1,000,000)	(100.00%)
Subtotal Other Financing Sources	\$1,000,000	\$0	(\$1,000,000)	(100.00%)
TOTAL REVENUES	\$3,046,369	\$162,000	(\$2,884,369)	(94.68%)
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$2,654,591	\$799,680	(\$1,854,911)	(69.88%)
Subtotal Fixed Assets	\$2,654,591	\$799,680	(\$1,854,911)	(69.88%)
TOTAL EXPENDITURES	\$2,654,591	\$799,680	(\$1,854,911)	(69.88%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$391,778)	\$637,680	\$1,029,458	(262.77%)

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Russian River CSD - Construction

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

44002 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	\$300,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	\$3,000

Character Title: Miscellaneous Revenue **Character No.:** 43202-33070200-46

46022 Capital Grants - State

This account reflects anticipated grants funds for a CalOES funded project (Headworks).

46024 Connection Fees

This account reflects the anticipated connection fees for new users in FY 21-22.

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

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. There is no planned transfer in FY 21-22.

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

NOTE: In order to comply with the State Revolving Fund loan requirements, the ending fund balance of the RRCSD Construction Fund shall not fall below the required balance for the Wastewater Capital Reserve Fund in any given year during the 20 year term of the loan ending in November 2024.

Character Title: Fixed Assets **Character No.:** 43202-33070200-19

19832 CIP-Infrastructure

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

Planned Projects for FY 21-22:

	Project No.	Amount
ACL Compliance Project	<i>tbd</i>	\$250,000
Headworks, Lift Station, and Force Main Project Ph 2	<i>tbd</i>	200,000
Seismic Retrofit of Secondary Clarifier	<i>R0108</i>	125,000
UV System Retrofit	<i>tbd</i>	25,000
Lift Station Electrical Resiliency (Vacation Beach)	<i>R0115</i>	199,680
		\$799,680

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Russian River CSD - Construction
Fund/Department ID: 43202-33070200

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$203,589	\$1,159,655	\$942,608
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,362,134	2,182,953	162,000
Expenditures - (Decrease) retained earnings	(357,982)	(2,400,000)	(799,680)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,004,152	(217,047)	(637,680)
Adjustments to Reserves/Encumbrances:			
Change in Encumbrances	(84,322)	-	-
Unrealized Gain/loss	(7,225)	-	-
Post Audit Adjustment	(19,274)		
Gain/Loss on Disposal of Capital Assets	62,736	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(48,085)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings	\$1,159,655	\$942,608	\$304,928
Available for Budgeting	\$1,159,655	\$942,608	\$304,928
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$956,066	(\$217,047)	(\$637,680)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Equity in Pooled Cash	\$210,507	\$1,175,607	
Retention Receivable	2,273	16,892	
Due from Federal AR	20,453	115,434	
Encumbrances	(29,644)	(113,966)	
Accounts Payable	-	(19,275)	
Vouchers Payable	-	(15,037)	
Total Beginning Retained Earnings	\$203,589	\$1,159,655	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$49	\$0	(\$49)	(100.00%)
<i>Subtotal Use of Money</i>	<u>\$49</u>	<u>\$0</u>	<u>(\$49)</u>	<u>(100.00%)</u>
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In-within a Fund	\$0	\$0	\$0	N/A
<i>Subtotal Other Financing Sources</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL REVENUES	\$49	\$0	(\$49)	(100.00%)

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Russian River CSD - State Loan Reserve - Disinfection Basin Project

Character Title: Use of Money

Character No.:

43206-33070500-44

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	\$0
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$0</u>

Character Title: Other Financing Sources

Character No.:

43206-33070500-47

47101 Transfers In-within a Fund

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

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Russian River CSD - State Loan Reserve
Fund/Department ID: 43206-33070500

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$750
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	-	750	0
Expenditures - (Decrease) retained earnings	2,416	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	2,416	750	-
Adjustments to Reserves/Encumbrances:			
Change in Reserved Fund Balance	334	-	-
Unrealized Gain/loss	(2,750)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(2,416)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	(\$0)	\$750	\$750
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$0)	\$750	\$0
<u>Fund Balance Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$136,645	\$139,395	
Reserve for Debt	(136,645)	(139,395)	
Total Beginning Fund Balance	\$0	\$0	

FY 2021-22 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 20-21 Adopted	FY 21-22 Requested	Percent Change	FY 20-21 Adopted	FY 21-22 Requested	Percent Change
Operations	\$24,510,032	\$20,326,240	(17.07%)	\$6,006,128	\$2,679,402	(55.39%)
Construction	8,824,000	9,641,195	9.26%	1,941,800	(5,257,102)	(370.73%)
Revenue Bonds	353,565	11,065,165	3029.60%	(1,273,540)	9,449,200	(841.96%)
SRF Loan	73,679	65,186	(11.53%)	(373,413)	(379,657)	1.67%
Wet Weather Mitig	42,000	42,000	0.00%	9,940	8,800	(11.47%)
TOTAL:	\$33,803,276	\$41,139,786	21.70%	\$6,310,915	\$6,500,643	3.01%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 19-20 Actual	FY 20-21 Budget Estimate	FY 20-21 Revised Estimate	FY 21-22 Projected	Change from FY 20-21 Budget Estimate
TOTAL ESDs	17,524	17,535	17,632	17,540	0.03%
TOTAL APNs	10,464	10,475	10,487	10,480	0.05%

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 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT
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E. Summary of Issues and Significant Changes (continued)

FY 21-22 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 21-22.

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 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$15,938,308	\$15,947,905	\$9,597	0.06%
40202 Direct Charges - PY	150,000	150,000	0	0.00%
40999 Penalties/Costs on Taxes	40,000	40,000	0	0.00%
Subtotal Taxes	\$16,128,308	\$16,137,905	\$9,597	0.06%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$44,290	\$20,000	(\$24,290)	(54.84%)
44101 Rent - Real Estate	11,000	11,000	0	0.00%
Subtotal Use of Money	\$55,290	\$31,000	(\$24,290)	(43.93%)
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$2,273,332	\$1,287,933	(\$985,399)	(43.35%)
45301 Charges for Services	30,000	130,000	100,000	333.33%
45316 Water Conservation	16,974	60,000	43,026	253.47%
Subtotal Charges for Services	\$2,320,306	\$1,477,933	(\$842,373)	(36.30%)
TOTAL REVENUES	\$18,503,904	\$17,646,838	(\$857,066)	(4.63%)

EXPENDITURES:

SERVICES AND SUPPLIES

51032 Janitorial Services	\$6,000	\$6,000	\$0	0.00%
51061 Maintenance - Equipment	497,500	961,600	464,100	93.29%
51201 Administration Costs	130,000	138,800	8,800	6.77%
51205 Advertising/Marketing	1,000	2,300	1,300	130.00%
51206 Accounting/Auditing Services	10,000	8,500	(1,500)	(15.00%)
51211 Legal Services	45,000	63,000	18,000	40.00%
51212 Outside Counsel - Legal Advice	0	10,500	10,500	N/A
51231 Testing/Analysis	140,000	140,000	0	0.00%
51241 Outside Printing & Binding	15,000	11,000	(4,000)	(26.67%)
51244 Permits/License/Fees	75,000	97,000	22,000	29.33%
51253 County Counsel - Litigation	300,000	0	(300,000)	(100.00%)
51401 Rents & Leases-Equipment	13,000	9,000	(4,000)	(30.77%)
51601 Training/Conference Expenses	2,500	1,500	(1,000)	(40.00%)
51602 Business Travel/Mileage	1,000	200	(800)	(80.00%)
51605 Private Car Expense	0	700	700	N/A
51803 Other Contract Services	2,130,144	800,000	(1,330,144)	(62.44%)
51902 Telecommunication Usage	8,000	6,000	(2,000)	(25.00%)
51916 County Services	65,000	50,000	(15,000)	(23.08%)
51917 District Operations Chgs	6,035,000	6,446,750	411,750	6.82%

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
<u>SERVICES AND SUPPLIES (continued)</u>				
51921 Equipment Usage Charges	450,000	362,250	(87,750)	(19.50%)
52021 Clothing	0	2,000	2,000	N/A
52061 Fuel/Gas/Oil	7,000	5,500	(1,500)	(21.43%)
52071 Materials and Supplies Expense	0	1,000	1,000	N/A
52072 Chemicals	450,000	470,000	20,000	4.44%
52081 Medical/Laboratory Supplies	33,000	40,000	7,000	21.21%
52091 Memberships/Certifications	25,000	15,000	(10,000)	(40.00%)
52111 Office Supplies	7,263	8,000	737	10.15%
52117 Mail and Postage Supplies	1,000	500	(500)	(50.00%)
52141 Minor Equipment/Small Tools	45,000	32,000	(13,000)	(28.89%)
52142 Computer Equip/Accessories	5,500	72,000	66,500	1209.09%
52143 Software/Licensing Fees	7,000	6,000	(1,000)	(14.29%)
52171 Water Conservation Program	40,000	60,000	20,000	50.00%
52193 Utilities-Power	515,000	575,000	60,000	11.65%
Subtotal Services and Supplies	\$11,059,907	\$10,402,100	(\$657,807)	(5.95%)
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$103,588	\$97,202	(\$6,386)	(6.16%)
53402 Depreciation Expense	4,604,000	4,919,000	315,000	6.84%
53401 Amortization Expense	44,000	44,000	0	0.00%
Subtotal Other Charges	\$4,751,588	\$5,060,202	\$308,614	6.49%
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$8,551,537	\$4,444,938	(\$4,106,599)	(48.02%)
Subtotal Other Financing Uses	\$8,551,537	\$4,444,938	(\$4,106,599)	(48.02%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$245,645	\$252,032	\$6,387	2.60%
59003 Advances Clearing	(245,645)	(252,032)	(6,387)	2.60%
Subtotal Admin Control Account	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$103,000	\$106,000	\$3,000	2.91%
19841 Work in Progress - Intang	44,000	313,000	269,000	611.36%
Subtotal Fixed Assets	\$147,000	\$419,000	\$272,000	185.03%
TOTAL EXPENDITURES	\$24,510,032	\$20,326,240	(\$4,183,792)	(17.07%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$6,006,128	\$2,679,402	(\$3,326,726)	(55.39%)

FY 2021-22 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 20-21 budget. The rate will increase 3.5%, from \$1,094 to \$1,132.

ESDs times annual rate:	16,402 x \$1,132	\$18,567,064
Less Estimated Delinquency Factor:	13%	<u>(2,429,159)</u>
		\$16,137,905

(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	\$2,000,000
Projected Interest Rate	<u>1.00%</u>
Projected Interest on Pooled Cash	\$20,000

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	1,138 x \$1,132	=	\$1,287,933
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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 2021-22 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:

	<u>Amount</u>
Lateral Repair & Replacement Project	\$100,000
Pipe & Manhole Rehabilitation Project	200,000
	<hr/> \$300,000

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 2021-22 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:

Planned Projects Include:

Multi-year Agreements (audits/cleaning/sewer modeling)		\$45,500
NBWRA		100,000
Hazardous Materials Assistance		20,000
Pavement Preservation		70,000
Roof Replacement Project	V0148	175,000
As-needed Equipment Rentals		30,000
As-needed Permit & Regulatory Assistance		60,000
		<hr/>
		\$500,500

51902 Telecommunication Usage

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

51921 Equipment Usage Charges

#REF!

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:

Replace Lookout SCADA		\$280,000
Sewer/Stream Crossing		73,000
Sonoma Bank Repair		93,600
		<hr/>
		\$446,600

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 2021-22 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

52117 Mail and Postage Supplies

This account covers the costs of the District's postage.

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.

52142 Computer Equipment/Accessories

This account provides funds for computer hardware as needed. FY 21-22 includes \$70,000 for SCADA project.

52143 Software/Licensing Fees

This account provides funds for various software packages.

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.

52191 Utilities

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

52193 Utilities-Power

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

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

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 (\$36,190) and Bio-Solids (\$61,012).

53402 Depreciation

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

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

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.

Transfer to:

Revenue Bond Fund & SRF Loan	\$2,044,938
Construction Fund	2,400,000
Total Operating Transfer	<u>\$4,444,938</u>

FY 2021-22 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 21-22 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 20-21 Principal Payment	(789,435)
FY 21-22 Principal Payment	(141,101)
	<u>\$2,205,488</u>

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 21-21 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 20-21 Principal Payment	(928,400)
FY 21-22 Principal Payment	(110,931)
	<u>\$1,280,973</u>

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 21-22 includes ROW of \$268,000 for Sonoma Creek Bank Repair.

FY 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$4,146,130	\$3,053,442	\$1,231,386
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	17,394,062	16,223,061	17,646,838
Expenditures - (Decrease) retained earnings	(22,286,717)	(22,441,086)	(20,326,240)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>(4,892,655)</u>	<u>(6,218,025)</u>	<u>(2,679,402)</u>
Adjustments to Reserves/Encumbrances:			
53402 Depreciation Expense	\$ 3,882,679	\$ 4,604,000	\$ 4,919,000
Net Change in Encumbrance	164,733	-	-
Change in Prepaid Exp	10,053	-	-
Unrealized Gain/loss	32,784	-	-
Accrual of Principal Payment-Advances from Other Govts	(245,644)	(252,031)	(252,031)
Change in Reserved Fund Balance	48,043	-	-
Post Audit Adjustment	(76,178)	-	-
Gain/loss on disposal of Capital Assets	3,471	-	-
Advance Principal Expenditure	-	-	-
Amortization	28,069	44,000	44,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>3,848,010</u>	<u>4,395,969</u>	<u>4,710,969</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$3,101,485	\$1,231,386	\$3,262,953
Target Fund Balance	\$4,824,535	\$5,650,000	\$5,201,050
<i>Over/(Under) Target Fund Balance</i>	(\$1,723,050)	(\$4,418,614)	(\$1,938,097)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$1,044,645)	(\$1,822,056)	\$2,031,567
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/2019</u>	<u>7/1/2020</u>	
Cash	\$ 4,743,238	\$ 3,724,086	
Other Receivables-Flat Charges	173,613	170,689	
Accounts Payable	(14,809)	(2,238)	
Due From Other Funds	-	-	
Retention Receivable	3,042	3,042	
Loans Payable-Current	(239,419)	(245,644)	
Allowance for Uncollectible Accounts	(4,169)	(968)	
Due from State AR	3,165	-	
Vouchers Payable	(292,976)	(316,918)	
Accounts Receivable-AR Module	1,008,160	575,074	
Prepaid Expense	-	-	
Due To Other Governments	(213,800)	-	
Unearned Revenue	(2,099)	(5,000)	
Reserved Fund Balance	-	-	
Interest Payment	(82,686)	(78,184)	
Deposit From Others	(1,400)	(1,500)	
Contract Retention Payable	-	-	
Encumbrances (Contract)	(933,730)	(768,997)	
Total Beginning Retained Earnings	<u>\$ 4,146,130</u>	<u>\$ 3,053,442</u>	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$41,200	\$20,000	(\$21,200)	(51.46%)
Subtotal Use of Money	\$41,200	\$20,000	(\$21,200)	(51.46%)
<u>MISCELLANEOUS REVENUE</u>				
46021 Capital Grants-Federal	\$0	\$2,528,297	\$2,528,297	N/A
46024 Connection Fees	341,000	350,000	9,000	2.64%
Subtotal Miscellaneous Revenue	\$341,000	\$2,878,297	\$2,537,297	744.08%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$6,500,000	\$12,000,000	\$5,500,000	84.62%
Subtotal Other Financing Sources	\$6,500,000	\$12,000,000	\$5,500,000	84.62%
TOTAL REVENUES	\$6,882,200	\$14,898,297	\$8,016,097	116.48%
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$8,824,000	\$9,591,195	\$767,195	8.69%
Subtotal Fixed Assets	\$8,824,000	\$9,641,195	\$817,195	9.26%
TOTAL EXPENDITURES	\$8,824,000	\$9,641,195	\$817,195	9.26%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$1,941,800	(\$5,257,102)	(\$7,198,902)	(370.73%)

FY 2021-22 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	1.00%
Projected/Planned Interest on Pooled Cash	\$20,000

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

46021 Capital Grants-Federal

State grant funds anticipated in FY 21-22 for Clarifiers-Seismic Retrofit project.

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 (\$2,400,000) 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. This account also includes a FY 21-22 transfer from the 2021 Bond Fund (\$9,600,000) to assist in financing the Capital Replacement Program over the next several years.

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 21/22:

	Project No.	Amount
Trunk Main Replacement Project		\$2,679,771
Phase 4C	1,142,269	V0142/V0143
Phase 5	1,537,502	V0164/V0165
Clarifiers-Seismic Retrofit	V0178	3,546,194
Chase St. Bridge Sewer Replace		3,000
Local Hazard Mitigation Projects		150,000
Headworks Rehabilitation		3,157,230
Agua Caliente Creek Crossing		55,000
		\$9,591,195

19841 Work in Progress - Intangible

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

FY 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$15,739,766	\$10,145,753	\$1,672,159
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	7,629,310	4,963,466	14,898,297
Expenditures - (Decrease) retained earnings	(11,644,790)	(13,437,060)	(9,641,195)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(4,015,480)	(8,473,594)	5,257,102
Adjustments to Reserves/Encumbrances:			
Unrealized Gains/Loss	49,524	-	-
Post Audit Adjustment	12,906	-	-
Gain/Loss on Disposal Capital Assets	-	-	-
Change in Encumbrances	(1,640,963)	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	(1,578,532)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$10,145,754	\$1,672,159	\$6,929,261
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$5,594,012)	(\$8,473,594)	\$5,257,102
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$16,961,574	\$13,755,249	
Accounts Payable	(29,837)	(144,601)	
Retention Payable	-	(249,631)	
Retention Receivable	-	373	
Due from Federal AR	-	3,358	
Other Receivables	-	12,906	
Accounts Payable	(27,436)	(426,403)	
Contract Retention Payable	-	-	
Encumbrances (Contract)	(1,164,535)	(2,805,498)	
Total Beginning Retained Earnings	\$15,739,766	\$10,145,753	

FY 2021-22 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - 2021 Bonds

Fund/Department ID: 43303-33080400

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$0	\$0	\$0	N/A
Subtotal Use of Money	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL</u>				
49004 Administrative Control Account	\$0	\$15,000,000	\$15,000,000	N/A
49005 Administrative Control Account Clearing	0	(15,000,000)	(15,000,000)	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$0	\$0	\$0	N/A
EXPENDITURES:				
<u>SERVICE/SUPPLIES</u>				
51242 Bank Charges	\$0	\$6,000	\$6,000	N/A
Subtotal Service/Supplies	\$0	\$6,000	\$6,000	N/A
<u>OTHER CHARGES</u>				
53101 Principal Payments Long Term Debt	\$0	\$410,200	\$410,200	N/A
53103 Interest on Long Term Debt	0	447,000	447,000	N/A
53105 Costs of Issuance	0	300,000	300,000	N/A
Subtotal Other Charges	\$0	\$1,157,200	\$1,157,200	N/A
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$0	\$9,600,000	\$9,600,000	N/A
Subtotal Other Financing Uses	\$0	\$9,600,000	\$9,600,000	N/A
TOTAL EXPENDITURES	\$0	\$10,763,200	\$10,763,200	N/A
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$0	\$10,763,200	\$10,763,200	N/A

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - 2021 Bonds

Character Title: Administrative Control Character No.: 43303-33080400-49

49004 Administrative Control Account

This account records the incoming 2021 Bond funds.

49005 Administrative Control Account Clearing

This is the clearing account for account 49004.

Character Title: Service/Supplies Character No.: 43303-33080400-51

51242 Bank Charges

This account records the fee collected by the Fiscal Agent for servicing bonds.

Character Title: Other Charges Character No.: 43303-33080400-53

53101 Principal Payments Long Term Debt

This account is to provide funds for the District's share of the principal due on the 2021 Bond funds. These principal payments will continue to increase until the final payment is made.

53103 Interest on Long Term Debt

This account reflects the interest expense on the 2021 Bond funds.

53105 Costs of Issuance

This account reflects the cost of issuing the 2021 Bond funds. Amounts are expensed in the year incurred.

Character Title: Other Financing Uses Character No.: 43303-33080400-57

57011 Transfers out-within a Fund

This account is used to transfer bond proceeds to the Sonoma Valley County Sanitation District Construction Fund to finance construction of capital projects.

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - 2021 Bonds
Fund/Department ID: 43303-33080400

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$0
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	-	-	-
Expenditures - (Decrease) retained earnings	-	-	(10,763,200)
Net Surplus or Deficit - Increase/(Dec) to retained earnings	-	-	(10,763,200)
Adjustments to Reserves/Encumbrances:			
Advances	-	-	15,000,000
Change in Due to Other Governments	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	-	-	15,000,000
 Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$0	\$4,236,800
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$0	\$0	\$4,236,800
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$0	\$0	
Due to Other Governments	-	-	
Interest Payable	-	-	
Total Beginning Retained Earnings	\$0	\$0	

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FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 Interest on Pooled Cash	\$4,120	\$1,870	(\$2,250)	(54.61%)
Subtotal Use of Money	\$4,120	\$1,870	(\$2,250)	(54.61%)
Other Financing Sources				
47101 Transfers In-within a Fund	\$442,972	\$442,973	\$1	0.00%
Subtotal Other Financing Sources	\$442,972	\$442,973	\$1	0.00%
TOTAL REVENUES	\$447,092	\$444,843	(\$2,249)	(0.50%)
EXPENDITURES:				
OTHER CHARGES				
53103 Interest on LT Debt	\$73,679	\$65,186	(\$8,493)	(11.53%)
Subtotal Other Charges	\$73,679	\$65,186	(\$8,493)	(11.53%)
ADMINISTRATIVE CONTROL ACCOUNT				
59004 Admin Control Acct	\$369,293	\$377,787	\$8,494	2.30%
59005 Admin Control Acct-Clearing	(369,293)	(377,787)	(8,494)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$73,679	\$65,186	(\$8,493)	(11.53%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$373,413)	(\$379,657)	(\$6,244)	1.67%

FY 2021-22 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	\$187,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	\$1,870

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 21-22.

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 21-22 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 20-21 Principal Payments:	(4,173,368)
FY 21-22 Principal Payments:	(377,787)
Outstanding Loan Amount	\$2,456,347

59005 Admin Control Acct-Clearing

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

FY 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$185,894	\$189,883	\$185,509
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	448,455	447,092	444,843
Expenditures - (Decrease) retained earnings	(76,792)	(73,679)	(65,186)
	371,664	373,413	379,657
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	-	-	-
Advances - Principal Expenditure	(369,293)	(377,787)	(386,476)
Capitalized Interest	-	-	-
Unrealized Gain/Loss	1,620	-	-
Increase in Matured Bonds Payable	-	-	-
	(367,673)	(377,787)	(386,476)
Net Adjustment - Increase/(Decrease) to Retained Earnings			
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$189,883	\$185,509	\$178,690
Total Increase/(Decrease) in Retained Earnings for Fiscal Year			
<i>(Difference between Beginning and Ending Balance)</i>	\$3,989	(\$4,374)	(\$6,819)
 <u>Fund Balance Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$600,116	\$607,219	
Interest Payable	(53,232)	(48,043)	
Due to Other Government	(360,990)	(369,293)	
Total Beginning Fund Balance	\$185,894	\$189,883	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$3,461	\$3,500	\$39	1.13%
<i>Subtotal Use of Money</i>	\$3,461	\$3,500	\$39	1.13%
<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	\$3,461	\$3,500	\$39	1.13%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$3,461)	(\$3,500)	(\$39)	1.13%

FY 2021-22 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	\$350,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$3,500</u>

FY 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$376,074	\$0	\$3,461
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	6,648	3,461	3,500
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	6,648	3,461	3,500
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	919	-	-
Change in Reserved Fund Balance	(383,641)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(382,722)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$3,461	\$6,961
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$376,074)	\$3,461	\$3,500
<u>Fund Balance Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$376,074	\$383,641	
Reserved Fund Balance	-	(\$383,641)	
Total Beginning Fund Balance	\$376,074	\$0	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE
Fund/Department ID: 43309-33080700

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$1,710	\$1,600	(\$110)	(6.43%)
Subtotal Use of Money	\$1,710	\$1,600	(\$110)	(6.43%)
<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	\$1,710	\$1,600	(\$110)	(6.43%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,710)	(\$1,600)	\$110	(6.43%)

FY 2021-22 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	\$160,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$1,600</u>

FY 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$161,667	\$0	\$1,710
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	2,858	1,710	1,600
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	2,858	1,710	1,600
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	395	-	-
Change in Reserved Fund Balance	(164,920)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(164,525)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$1,710	\$3,310
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$161,667)	\$1,710	\$1,600
<u>Fund Balance Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$161,667	\$164,920	
Reserved Fund Balance	-	(\$164,920)	
Total Beginning Fund Balance	\$161,667	\$0	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - REVENUE BONDS
Fund/Department ID: 43305-33080800

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$18,540	\$14,000	(\$4,540)	(24.49%)
Subtotal Use of Money	\$18,540	\$14,000	(\$4,540)	(24.49%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In-within a Fund	\$1,608,565	\$1,601,965	(\$6,600)	(0.41%)
Subtotal Other Financing Sources	\$1,608,565	\$1,601,965	(\$6,600)	(0.41%)
TOTAL REVENUES	\$1,627,105	\$1,615,965	(\$11,140)	(0.68%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$3,000	\$2,500	(\$500)	(16.67%)
Subtotal Services and Supplies	\$3,000	\$2,500	(\$500)	(16.67%)
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$344,350	\$293,250	(\$51,100)	(14.84%)
53104 Other Interest Expense	6,215	6,215	\$0	0.00%
Subtotal Other Charges	\$350,565	\$299,465	(\$51,100)	(14.58%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$1,255,000	\$1,300,000	\$45,000	3.59%
59005 Admin Control Acct-Clearing	(\$1,255,000)	(1,300,000)	(45,000)	3.59%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$353,565	\$301,965	(\$51,600)	(14.59%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,273,540)	(\$1,314,000)	(\$40,460)	3.18%

FY 2021-22 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	\$1,400,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$14,000</u>

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 21-22.

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 20-21 Principal Payments	(3,490,000)
FY 21-22 Principal Payments	<u>(1,300,000)</u>
	\$7,315,000

59005 Admin Control Acct-Clearing

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

FY 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,355,167	\$1,421,310	\$1,395,525
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,627,053	1,621,565	1,615,965
Expenditures - (Decrease) retained earnings	(319,544)	(353,565)	(301,965)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,307,509	1,268,000	1,314,000
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	(1,255,000)	(1,300,000)	(1,300,000)
Unrealized Gain/Loss	6,800	-	-
Loss on Refunding of Debt	6,212	6,215	6,215
Bond Premium	(62,545)	-	-
Change in Reserved Fund Balance	63,166	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,241,367)	(1,293,785)	(1,293,785)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,421,310	\$1,395,525	\$1,415,740
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$66,143	(\$25,785)	\$20,215
<u>Fund Balance Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$ 2,729,105	\$ 2,767,208	
Cash with Trustee	906,142	906,016	
Cash with Trustee Res for Debt Service	(906,142)	(153,938)	
Matured Principal Payable	(1,200,000)	(1,255,000)	
Interest Payable	(173,938)	(842,976)	
Total Beginning Fund Balance	\$ 1,355,167	\$ 1,421,310	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$2,060	\$3,200	\$1,140	55.34%
Subtotal Use of Money	\$2,060	\$3,200	\$1,140	55.34%
<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	\$32,060	\$33,200	\$1,140	3.56%
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>	\$9,940	\$8,800	(\$1,140)	(11.47%)

FY 2021-22 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	\$320,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	<u>\$3,200</u>

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 2021-22 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 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$311,536	\$317,805	319,865
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,507	32,060	33,200
Expenditures - (Decrease) retained earnings	(11,959)	(42,000)	(42,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(6,452)	(9,940)	(8,800)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	761	-	-
Depreciation	11,960	12,000	12,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	12,721	12,000	12,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$317,805	\$319,865	\$323,065
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$6,269	\$2,060	\$3,200
<u>Fund Balance Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$311,536	\$317,805	
Accounts Receivable-AR Module	-	-	
Total Beginning Fund Balance	\$311,536	\$317,805	

FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title: SOUTH PARK COUNTY SANITATION DISTRICT

A. Program Description

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

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 20-21 Adopted	FY 21-22 Requested	Percent Change	FY 20-21 Adopted	FY 21-22 Requested	Percent Change
Operations	\$8,440,378	\$4,961,428	(41.22%)	\$4,046,915	\$562,933	(86.09%)
Revenue Bonds	\$43,370	\$39,043	(9.98%)	(\$173,398)	(\$177,885)	2.59%
Construction	\$375,000	\$700,000	86.67%	(\$4,675,800)	(\$799,900)	82.89%
TOTAL:	\$8,858,748	\$5,700,471	(35.65%)	(\$802,283)	(\$414,852)	(48.29%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 19-20 Actual	FY 20-21 Budget Estimate	FY 20-21 Revised Estimate	FY 21-22 Projected	Change from FY 20-21 Budget Estimate
TOTAL ESDs	4,281	4,313	4,308	4,318	0.12%
TOTAL APNs	2,112	2,126	2,121	2,131	0.24%

E. Summary of Issues and Significant Changes

The requested rate per equivalent single family dwelling (ESD) for FY 21-22 annual service charges is \$1,074, representing a 3.5% increase from FY 20-21. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor.

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

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

FY 2021-22 BUDGET BUDGET SECTION SUMMARY

Section Title:

SOUTH PARK COUNTY SANITATION DISTRICT

E. Summary of Issues and Significant Changes (continued)

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

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

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

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: SOUTH PARK CSD - OPERATIONS
Fund/Department ID: 43401-33090100

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$4,201,526	\$4,247,315	\$45,789	1.09%
40202 Direct Charges - PY	37,000	37,000	0	0.00%
40999 Penalties/Costs on Taxes	9,000	9,000	0	0.00%
Subtotal Taxes	\$4,247,526	\$4,293,315	\$45,789	1.08%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$41,200	\$30,000	(\$11,200)	(27.18%)
Subtotal Use of Money	\$41,200	\$30,000	(\$11,200)	(27.18%)
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$104,737	\$75,180	(\$29,557)	(28.22%)
Subtotal Charges for Services	\$104,737	\$75,180	(\$29,557)	(28.22%)
TOTAL REVENUES	\$4,393,463	\$4,398,495	\$5,032	0.11%

EXPENDITURES:

SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$0	\$0	\$0	N/A
51201 Administration Costs	35,000	36,300	1,300	3.71%
51206 Accounting/Auditing Services	10,000	10,800	800	8.00%
51211 Legal Services	5,000	4,000	(1,000)	-20.00%
51241 Outside Printing & Binding	2,500	2,000	(500)	-20.00%
51244 Permits/License/Fees	4,000	2,500	(1,500)	-37.50%
51502 Sewer Capacity Charges	1,858,000	1,823,000	(35,000)	-1.88%
51803 Other Contract Services	626,600	768,500	141,900	22.65%
51916 County Services	2,000	1,700	(300)	-15.00%
51917 District Operations Chgs	75,000	87,175	12,175	16.23%
51921 Equipment Usage Charges	600	525	(75)	(12.50%)
Subtotal Services and Supplies	\$2,618,700	\$2,736,500	\$117,800	4.50%

OTHER CHARGES

53402 Depreciation Expense	\$603,000	\$555,000	(\$48,000)	(7.96%)
Subtotal Other Charges	\$603,000	\$555,000	(\$48,000)	(7.96%)

OTHER FINANCING USES

57011 Transfers out-within a Fund	\$5,213,678	\$1,664,928	(\$3,548,750)	(68.07%)
Subtotal Other Financing Uses	\$5,213,678	\$1,664,928	(\$3,548,750)	(68.07%)

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: SOUTH PARK CSD - OPERATIONS
Fund/Department ID: 43401-33090100

FIXED ASSETS

19851 Intangible Assets - Non-amort	\$5,000	\$5,000	\$0	0.00%
Subtotal Fixed Assets	\$5,000	\$5,000	\$0	0.00%

TOTAL EXPENDITURES	\$8,440,378	\$4,961,428	(\$3,478,950)	(41.22%)
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$4,046,915	\$562,933	(\$3,483,982)	(86.09%)
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FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Taxes Character No.: 43401-33090100-40

40003 Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 20-21 budget. The rate will increase 3.5%, from \$1,037 to \$1,074.

ESDs times annual rate:	4,248 x \$1,074	\$4,562,352
Less Estimated Delinquency Factor:	5.9%	(269,037)
		<u>\$4,293,315</u>

(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.: 43401-33090100-44

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	\$3,000,000
Projected Interest Rate	<u>1.00%</u>
Projected/Planned Interest on Pooled Cash	\$30,000

Character Title: Charges for Services Character No.: 43401-33090100-45

45221 Sewer/Water Usage Fees

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through account 40003, Direct Charges, the following year. Based on projected FY 21-22 ESDs, the District will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,037 to \$1,074.

ESDs x Annual Charge	70 x \$1,074	=	\$75,180
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FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - Operations

Character Title: Services and Supplies

Character No.: 43401-33090100-51 & 52

51201 Administration Costs

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

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 provides funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

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.

51502 Sewer Capacity Charges

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

51803 Other Contract Services

This account records the cost of collection system maintenance paid to the City of Santa Rosa and any other non-routine projects.

51916 County Services

This account records the expense for special district accounting services.

51917 District Operations

This account is used primarily to record staff time associated with maintaining the sanitation master user listing for the District, as well as management and administrative time associated with negotiating and administering agreements with the City.

51921 Equipment Usage Charges

This account provides funds for equipment usage.

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

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

Character Title: Other Charges Character No.: 43401-33090100-53

53402 Depreciation

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

Character Title: Fixed Assets Character No.: 43401-33090100-19

19851 Intangible Assets - Non-amort

This account records sewer easement dedications.

Character Title: Other Financing Uses Character No.: 43401-33090100-57

57011 Transfers out-within a Fund

This account reflects the transfer of cash from the Operations Fund to the 2000 Revenue Bond Fund necessary to satisfy the annual debt service payment on the bonds \$214,928. The amount to be transferred is determined from the debt service schedule for the bonds. In addition, \$1,450,000 will be transferred to the Construction Fund for planned capital projects.

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: South Park CSD - Operations
Fund/Department ID: 43401-33090100

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$5,617,773	\$6,693,025	\$3,162,373
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	4,208,831	\$4,363,726	\$4,398,495
Expenditures - (Decrease) retained earnings	(3,684,814)	(\$8,497,378)	(\$4,961,428)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	524,016	(4,133,652)	(562,933)
Adjustments to Reserves/Encumbrances:			
Depreciation Expense	531,074	603,000	555,000
Unrealized Gain/loss	6,324	-	-
Pollution Remediation Obligation	27,440		
Post Audit Adjustment	(13,600)		
Change In Encumbrances	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	551,238	603,000	555,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$6,693,025	\$3,162,373	\$3,154,440
 Target Fund Balance	 \$1,210,273	 \$1,307,850	 \$1,368,250
<i>Over/(Under) Target Fund Balance</i>	<i>\$5,482,752</i>	<i>\$1,854,523</i>	<i>\$1,786,190</i>
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$1,075,252	(\$3,530,652)	(\$7,933)
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$5,671,304	\$6,552,113	
Accounts Receivable - AR Module	\$46,389	\$34,728	
Other Receivables	109,569	120,412	
Vouchers Payable	(186,852)	(628)	
Accounts Payable	(22,637)	-	
Contract Retention Payable	-	-	
Advances Payable	-	(13,600)	
Encumbrances	-	-	
Total Beginning Retained Earnings	\$5,617,773	\$6,693,025	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: **SOUTH PARK CSD - CONSTRUCTION**
Fund/Department ID: **43402-33090200**

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$41,200	\$40,000	(\$1,200)	(2.91%)
Subtotal Use of Money	\$41,200	\$40,000	(\$1,200)	(2.91%)
<u>MISCELLANEOUS REVENUE</u>				
46024 Connection Fees	\$9,600	\$9,900	\$300	3.13%
Subtotal Miscellaneous Revenue	\$9,600	\$9,900	\$300	3.13%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$5,000,000	\$1,450,000	(\$3,550,000)	(71.00%)
Subtotal Other Financing Sources	\$5,000,000	\$1,450,000	(\$3,550,000)	(71.00%)
TOTAL REVENUES	\$5,050,800	\$1,499,900	(\$3,550,900)	(70.30%)
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$375,000	\$700,000	\$325,000	86.67%
Subtotal Fixed Assets	\$375,000	\$700,000	\$325,000	86.67%
TOTAL EXPENDITURES	\$375,000	\$700,000	\$325,000	86.67%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$4,675,800)	(\$799,900)	\$3,875,900	82.89%

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: South Park CSD - Construction

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$4,000,000
Projected Interest Rate	<u>1.00%</u>
Projected/Planned Interest on Pooled Cash	\$40,000

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

Character Title: Miscellaneous Revenue Character No.: 43402-33090200-46

46024 Connection Fees

This account reflects the anticipated connection fees for new users in FY 21-22.

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

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. Budgeted amount for FY 21-22 is \$1,450,000.

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

19832 CIP-Infrastructure

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

	Project No.	Amount
Santa Rosa Ave Sewers -Todd to E. Robles	TBD	\$700,000

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: South Park CSD - Construction
Fund/Department ID: 43402-33090200

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$2,002,358	\$2,673,893	\$7,366,093
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	595,283	5,067,200	1,499,900
Expenditures - (Decrease) retained earnings	(29,808)	(375,000)	(700,000)
	565,475	4,692,200	799,900
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
Adjustments to Reserves/Encumbrances:			
Change in Encumbrance	84,388	-	-
Unrealized Gain/loss	8,073	-	-
Post Audit Adjustment	13,600	-	-
	106,061	-	-
Net Adjustment - Inc/(Dec) to Retained Earnings			
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$2,673,894	\$7,366,093	\$8,165,993
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$671,536	\$4,692,200	\$799,900
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$2,448,976	\$2,660,293	
Accounts Payable	(295,696)	-	
Due from Other Funds	-	13,600	
Retention Payable	(66,534)	-	
Encumbrance	(84,388)	-	
Total Beginning Retained Earnings	\$2,002,358	\$2,673,893	

FY 2021-22 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

Fund: **SOUTH PARK CSD - 2005 REVENUE BONDS**
 Fund/Department ID: **43403-33090300**

Account No. and Title	Adopted 2020-21	Requested 2021-22	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$3,090	\$2,000	(\$1,090)	(35.28%)
Subtotal Use of Money	\$3,090	\$2,000	(\$1,090)	(35.28%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$213,678	\$214,928	\$1,250	0.58%
Subtotal Other Financing Sources	\$213,678	\$214,928	\$1,250	0.58%
TOTAL REVENUES	\$216,768	\$216,928	\$160	0.07%
EXPENDITURES:				
<u>SERVICES & SUPPLIES</u>				
51242 Bank Charges	\$500	\$500	\$0	0.00%
Subtotal Services & Supplies	\$500	\$500	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$30,253	\$25,926	(\$4,327)	(14.30%)
53104 Other Interest Expense	12,617	12,617	\$0	0.00%
Subtotal Other Charges	\$42,870	\$38,543	(\$4,327)	(10.09%)
<u>ADMIN CONTROL</u>				
59004 Admin Control Acct	\$182,925	\$188,502	\$5,577	3.05%
59005 Admin Control Acct-Clearing	(182,925)	(188,502)	(5,577)	3.05%
Subtotal Admin Control	\$0	\$0	\$0	N/A
TOTAL EXPENSES	\$43,370	\$39,043	(\$4,327)	(9.98%)
TOTAL NET COST <i>(Expenses Minus Revenues)</i>	(\$173,398)	(\$177,885)	(\$4,487)	2.59%

FY 2021-22 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: South Park CSD - 2005 Revenue Bonds

Character Title: Use of Money **Character No.:** 43403-33090300-44

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	\$200,000
Projected Interest Rate	1.00%
Projected/Planned Interest on Pooled Cash	\$2,000

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

47101 Transfers In-within a fund

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

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

51242 Bank Charges

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

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

53103 Interest on LT Debt

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

Character Title: Administrative Control Account **Character No.:** 43403-33090300-59

59004 Admin Control Acct

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

Original Issue	\$3,250,000
Total FY 05-06 through FY 20-21 Principal Payments:	(2,172,708)
FY 21-22 Principal Payment:	(188,502)
Outstanding Loan Amount	\$888,790

59005 Admin Control Acct-Clearing

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

FY 2021-22 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: South Park CSD - 2005 Revenue Bonds
Fund/Department ID: 43403-33090300

DESCRIPTION OF FUND ACTIVITY	Actual FY 19-20	Estimated FY 20-21	Requested FY 21-22
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$235,172	\$243,926	\$241,440
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	224,449	216,768	216,928
Expenditures - (Decrease) retained earnings	(46,433)	(43,370)	(39,043)
	178,016	173,398	177,885
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
Adjustments to Reserves/Encumbrances:			
Revenue Bonds Pay	-	-	-
Amortization of Bond Refunding	12,618	12,617	12,617
Capitalized Interest	-	-	-
Unrealized Gain/loss	1,046	-	-
Admin Control Acct (59004)	(182,924)	(188,501)	(188,501)
	(169,260)	(175,884)	(175,884)
Net Adjustment - Inc/(Dec) to Retained Earnings			
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$243,926	\$241,440	\$243,441
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	 \$8,753	 (\$2,486)	 \$2,001
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2019	7/1/2020	
Cash	\$426,274	\$434,856	
Cash Restricted for Debt Services	-	-	
Cash with Fiscal Agent	-	-	
Interest Payable	(9,055)	(8,006)	
Matured Bonds Payable	(182,047)	(182,924)	
	\$235,172	\$243,926	
Total Beginning Retained Earnings			