

FY 2022-23 BUDGET BUDGET SECTION SUMMARY

Section Title:

SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP

A. Program Description

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

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 21-22 Adopted	FY 22-23 Requested	Percent Change	FY 21-22 Adopted	FY 22-23 Requested	Percent Change
Operations	\$6,108,088	\$7,092,888	16.12%	\$945,400	\$1,302,568	37.78%
Bonds	72,142	63,600	(11.84%)	(363,496)	(372,948)	2.60%
Construction	579,998	234,620	(59.55%)	356,541	(124,877)	(135.02%)
TOTAL:	\$6,760,228	\$7,391,108	9.33%	\$938,445	\$804,743	(14.25%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 20-21 Actual	FY 21-22 Budget Estimate	FY 21-22 Revised Estimate	FY 22-23 Projected	Change from FY 21-22 Budget Estimate
Total ESDs	3,721	3,719	3,865	4,046	8.79%
Total APNs	1,813	1,813	1,976	2,075	14.45%

E. Summary of Issues and Significant Changes

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

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

The requested rate per ESD for FY 22-23 annual service charges is \$1,148, representing a 8.5% increase from FY 21-22. Rate increases in excess of the inflation will be needed to balance operational revenue and costs over the next several years.

FY 2022-23 BUDGET
BUDGET SECTION SUMMARY

Section Title:

SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP

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 2022-23 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$3,288,388	\$4,144,100	\$855,712	26.02%
40202 Direct Charges - PY	25,000	25,000	0	0.00%
40999 Penalties/Costs on Taxes	4,500	4,500	0	0.00%
Subtotal Taxes	\$3,317,888	\$4,173,600	\$855,712	25.79%
<u>INTERGOVERNMENTAL REVENUE</u>				
42461 Federal Funding	\$0	\$30,000	\$30,000	N/A
Subtotal Intergovernmental Revenue	\$0	\$30,000	\$30,000	N/A
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$8,000	\$6,720	(\$1,280)	(16.00%)
44101 Rent - Real Estate	150,000	160,000	10,000	6.67%
Subtotal Use of Money	\$158,000	\$166,720	\$8,720	5.52%
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$611,800	\$582,000	(\$29,800)	(4.87%)
Subtotal Charges for Services	\$611,800	\$582,000	(\$29,800)	(4.87%)
<u>OTHER FINANCING SOURCES</u>				
47101 Trans in - Within a Fund	\$1,075,000	\$838,000	(\$237,000)	(22.05%)
Subtotal Other Financing Sources	\$1,075,000	\$838,000	(\$237,000)	(22.05%)
TOTAL REVENUES	\$5,162,688	\$5,790,320	\$627,632	12.16%

EXPENDITURES:

SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$200,000	\$180,000	(\$20,000)	(10.00%)
51201 Administration Services	29,000	33,000	4,000	13.79%
51211 Legal Services	5,000	21,000	16,000	320.00%
51230 Security Services	500	0	(500)	(100.00%)
51231 Testing/Analysis	120,000	135,000	15,000	12.50%
51241 Outside Printing & Binding	2,500	2,500	0	0.00%
51244 Permits/License/Fees	60,000	60,000	0	0.00%
51401 Rents & Leases-Equipment	9,000	25,000	16,000	177.78%
51421 Rents & Leases-Bldgs/Land	9,400	10,000	600	6.38%
51803 Other Contract Services	426,000	1,083,300	657,300	154.30%
51902 Telecommunications Usage	4,300	4,600	300	6.98%
51917 District Operations Charges	2,800,000	3,011,000	211,000	7.54%
51921 Equipment Usage Charges	162,750	150,000	(12,750)	(7.83%)
52061 Fuel/Gas/Oil	1,000	625	(375)	(37.50%)

FY 2022-23 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
<u>SERVICES AND SUPPLIES (cont'd)</u>				
52071 Materials and Supplies Expense	300	1,400	1,100	366.67%
52072 Chemicals	200,000	200,000	0	0.00%
52081 Medical/Laboratory Supplies	5,000	10,000	5,000	100.00%
52091 Memberships/Certifications	100	0	(100)	(100.00%)
52111 Office Supplies	1,200	2,175	975	81.25%
52141 Minor Equipment/Small Tools	7,000	23,000	16,000	228.57%
52143 Software/Licensing Fees	500	500	0	0.00%
52171 Water Conservation Program	17,200	17,200	0	0.00%
52193 Utilities-Power	302,000	362,000	60,000	19.87%
<i>Subtotal Services and Supplies</i>	<u>\$4,362,750</u>	<u>\$5,332,300</u>	<u>\$969,550</u>	<u>22.22%</u>
<u>OTHER CHARGES</u>				
53401 Amortization Expense	\$16,000	\$16,000	\$0	0.00%
53402 Depreciation Expense	1,281,000	1,144,000	-137,000	(10.69%)
<i>Subtotal Other Charges</i>	<u>\$1,297,000</u>	<u>\$1,160,000</u>	<u>(\$137,000)</u>	<u>(10.56%)</u>
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$433,338	\$585,588	\$152,250	35.13%
<i>Subtotal Other Financing Uses</i>	<u>\$433,338</u>	<u>\$585,588</u>	<u>\$152,250</u>	<u>35.13%</u>
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$0	\$0	\$0	N/A
19841 Work in Progress - Intang	15,000	15,000	0	0.00%
<i>Subtotal Fixed Assets</i>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL EXPENDITURES	<u>\$6,108,088</u>	<u>\$7,092,888</u>	<u>\$984,800</u>	<u>16.12%</u>
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	<u>\$945,400</u>	<u>\$1,302,568</u>	<u>\$357,168</u>	<u>37.78%</u>

FY 2022-23 BUDGET
CHARACTER JUSTIFICATION

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

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

40003 Direct Charges - CY		
Flat charge revenue from annual service charges is expected to increase from the adopted FY 21-22 budget. The rate will increase approximately 8.5%, from \$1,058 to \$1,148.		
ESDs times annual rate:	3,711 x \$1,148	\$4,260,228
Less Estimated Delinquency Factor:	2.0%	(86,620)
		\$4,173,600
(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.:** 44705-33100100-44

44002 Interest on Pooled Cash		
This account records interest on pooled cash held for the Zone by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.		
Estimated Average Cash Balance		\$1,400,000
Projected Interest Rate		0.48%
Projected/Planned Interest on Pooled Cash		\$6,720
44101 Rent-Real Estate		
This represent the payment of rent of property per the Memorandum of Agreement for the photovoltaic facility (\$50,000) and the relocated service center (\$110,000).		

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

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 22-23 ESDs, the Zone will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,058 to \$1,148.		
ESDs x Annual Charge	376.3 x \$1,148	= \$432,000
This account also records revenue associated with the Industrial Users Monitoring program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant.		

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

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

FY 2022-23 BUDGET
CHARACTER JUSTIFICATION

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

51061 Maintenance - Equipment

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

FY 22-23 Planned Maintenance-Equipment:

Comprehensive I/I	\$	75,000
Recycled Main Air/Blowoff R/R		25,000
Wastewater Flow Meters		30,000
As-needed routine maintenance		50,000
		180,000
	\$	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.

51211 Legal Services

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

51231 Testing/Analysis

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

51241 Outside Printing & Binding

This account represents the cost of outside printing services.

51244 Permits/License/Fees

This account records the cost of all permits.

51401 Rents/Leases-Equipment

This account represents funds for rents and leases of equipment.

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 costs for various outside services which include:

FY 22-23 Planned Contract Services:

Local Hazard Mitigation Plan	\$	40,000
Pavement Preservation		39,000
Planning & As-needed Contracts		136,000
Regulatory Permitting Assistance		25,000
Sanitary Sewer Management Plan SECAP Update		25,000
SCADA		208,000
Sludge Removal		610,300
		1,083,300
	\$	1,083,300

51902 Telecommunication Usage

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

51917 District Operations Charges

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

FY 22-23 Planned Staff Work:

Comprehensive I/I	\$	25,000
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FY 2022-23 BUDGET
CHARACTER JUSTIFICATION

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

<p>51921 Equipment Usage Charges This account represents funds for equipment usage.</p> <p>52061 Fuel/Gas/Oil This account includes the costs of gas, diesel and oil.</p> <p>52071 Materials and Supplies Expense This account includes the costs of materials and supplies for the District.</p> <p>52072 Chemicals This account records the cost of chemicals required for operation of the treatment plant.</p> <p>52081 Medical/Laboratory Supplies This account records the cost of lab supplies required for testing and monitoring wastewater.</p> <p>52111 Office Supplies This account covers the costs of operational supplies.</p> <p>52141 Minor Equipment/Small Tools This account represents funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.</p> <p>52143 Software/Licensing Fees This account provides funds for various software packages.</p> <p>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.</p> <p>52193 Utilities Power This account records the cost of payments made for utilities such as gas and electricity.</p>

Character Title: Other Charges Character No.: 44705-33100100-53
<p>53402 Depreciation Generally Accepted Accounting Principles require that depreciation be expensed each year.</p>

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

Character Title: Fixed Assets Character No.: 44705-33100100-19
<p>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.</p>

FY 2022-23 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$1,031,294	\$1,138,305	\$1,511,791
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	5,184,536	\$5,195,688	5,790,320
Expenditures - (Decrease) fund balance	(6,232,633)	(\$6,119,202)	(7,092,888)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(1,048,097)	(923,514)	(1,302,568)
Adjustments to Reserves/Encumbrances:			
53402 - Depreciation Expense	1,010,606	1,281,000	1,144,000
Change in Encumbrance	138,179	-	-
Unrealized Gain/Loss	274	-	-
Amortization	5,952	16,000	16,000
Change in prepaid exp	97	-	-
Post Audit Adjustment	-	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	1,155,107	1,297,000	1,160,000
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$1,138,305	\$1,511,791	\$1,369,223
Target Fund Balance	\$2,385,090	\$2,161,847	\$2,666,150
<i>Over/(Under) Target Fund Balance</i>	(\$1,246,785)	(\$650,056)	(\$1,296,927)
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$107,011	\$373,486	(\$142,568)
<u>Fund Balance Components at Beginning of FY</u>			
Equity in Pooled Cash	7/1/20	7/1/21	
Other Receivables	1,656,350	1,503,649	
Accounts Payable	59,333	24,982	
Accounts Receivable-AR Module	(87,192)	(89,571)	
Allowance for Uncollectible Accounts	(46,042)	(46,042)	
AR Maint/Trnsf Control	103,497	92,051	
Retention Receivable	-	258	
Deposits from Others	(308,321)	(188,832)	
Due from State AR	3,874	-	
Accounts Payable	(89,170)	(2,732)	
Unearned Revenue	-	(32,604)	
Other Current Liabilities	-	-	
Encumbrances	(261,035)	(122,856)	
Total Beginning Fund Balance	1,031,294	1,138,303	

FY 2022-23 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$17,000	\$4,800	(\$12,200)	(71.76%)
44003 Other Interest Earnings	32,000	30,000	(2,000)	(6.25%)
Subtotal Use of Money	\$49,000	\$34,800	(\$14,200)	(28.98%)
<u>MISCELLANEOUS REVENUE</u>				
46024 Connection Fees	\$172,457	\$174,457	\$2,000	1.16%
Subtotal Miscellaneous Revenue	\$172,457	\$174,457	\$2,000	1.16%
<u>OTHER FINANCING SOURCES</u>				
47101 Trans in - within a Fund	\$0	\$150,000	\$150,000	N/A
Subtotal Other Financing Sources	\$0	\$150,000	\$150,000	N/A
<u>ADMINISTRATIVE CONTROL</u>				
49002 Advances	\$0	\$71,000	\$71,000	N/A
49003 Advances Clearing	0	(71,000)	(71,000)	N/A
Subtotal Administrative Control	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$221,457	\$359,257	\$137,800	62.22%
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$547,998	\$188,620	(\$359,378)	(65.58%)
Subtotal Fixed Assets	\$547,998	\$188,620	(\$359,378)	(65.58%)
TOTAL EXPENDITURES	\$547,998	\$188,620	(\$359,378)	(65.58%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$326,541	(\$170,637)	(\$497,178)	(152.26%)

FY 2022-23 BUDGET CHARACTER JUSTIFICATION

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$4,800

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

46026 Connection Fees

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

Character Title: Other Financing Sources **Character No.:** 44710-33100200-47

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 projects. A transfer is planned for FY 22-23 in the amount of \$150,000.

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

49002 Advances

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

49003 Advances - Clearing

This is the clearing account for account 49002.

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

19832 CIP - Infrastructure

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

FY 22-23 Planned projects:

Main Electrical Breaker Switchgear	A0085	\$ 63,620
Recycled Water Pipeline Improvements	tbd	125,000
		\$188,620

FY 2022-23 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$1,792,950	\$1,881,234	\$1,612,254
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	387,231	221,457	359,257
Expenditures - (Decrease) fund balance	(300,027)	(604,316)	(188,620)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	87,203	(382,859)	170,637
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	637	-	-
Donated Assets	-	-	-
Change in Encumbrance	(82,879)	-	-
Post Audit Adjustment	(18,600)	-	-
Accrual of Connection Fees Receivable - Larkfield Estates	101,924	113,879	68,332
Larkfield Estates - Connection Fees Receivable	-	-	-
Advances - Principal Received	-	-	-
Non-current accounts receivable	(1)	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	1,081	113,879	68,332
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$1,881,234	\$1,612,254	\$1,851,223
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$88,284	(\$268,980)	\$238,969
<u>Fund Balance Components at Beginning of FY</u>	7/1/20	7/1/21	
Cash	\$2,094,326	\$2,284,692	
Accounts Receivable-AR Module	585,519	584,204	
Vouchers Payable	(35,000)	(33,996)	
Accounts Payable	-	(18,600)	
Retention Payable	(7,300)	(7,300)	
Allowance for Uncollectable Accounts	(584,204)	(584,204)	
Connection Fees Receivable - Larkfield Estates	69,597	70,775	
Due to State	-	(1,470)	
Encumbrances	(329,988)	(412,867)	
Total Beginning Fund Balance	\$1,792,950	\$1,881,234	

FY 2022-23 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$2,300	\$960	(\$1,340)	(58.26%)
Subtotal Use of Money	\$2,300	\$960	(\$1,340)	(58.26%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers in - Within a Fund	\$433,338	\$435,588	\$2,250	0.52%
Subtotal Other Financing Sources	\$433,338	\$435,588	\$2,250	0.52%
TOTAL REVENUES	\$435,638	\$436,548	\$910	0.21%
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$500	\$500	\$0	0.00%
Subtotal Services and Supplies	\$500	\$500	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$49,516	\$40,974	(\$8,542)	(17.25%)
53104 Other Interest Exp	22,126	22,126	\$0	0.00%
Subtotal Other Charges	\$71,642	\$63,100	(\$8,542)	(11.92%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$361,196	\$371,988	\$10,792	2.99%
59005 Admin Control Acct-Clearing	(361,196)	(371,988)	(10,792)	2.99%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$72,142	\$63,600	(\$8,542)	(11.84%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$363,496)	(\$372,948)	(\$9,452)	2.60%

**FY 2022-23 BUDGET
CHARACTER JUSTIFICATION**

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$200,000
Projected Interest Rate	<u>0.48%</u>
Projected/Planned Interest on Pooled Cash	\$960

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

47101 Transfers in-within a Fund

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

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

51242 Bank Charges

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

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

53103 Interest on Long-Term Debt

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

53104 Other Interest Expense

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

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

57011 Transfers out-within a Fund

This account reflects amounts transferred to the Construction Fund for expenses incurred for projects eligible for funding from the proceeds of the 2017 Revenue Bond. No transfer is budgeted for FY 22-23.

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

59004 Admin Control Account

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

The following reflects the bond principal payment history to date:

Original Amount of the Revenue Bond Issue:	\$6,220,000
Total FY 06-07 through FY 21-22 Principal Payments:	(4,275,467)
Total FY 22-23 Principal Payments:	<u>(371,988)</u>
Outstanding Bond Amount	\$1,572,545

59005 Admin Control Account - Clearing

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

FY 2022-23 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$203,856	\$232,278	\$245,913
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	445,578	435,638	436,548
Expenditures - (Decrease) fund balance	(78,267)	(72,142)	(63,600)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	<u>367,310</u>	<u>363,496</u>	<u>372,948</u>
Adjustments to Reserves/Encumbrances:			
Loss on Refunding of Debt	22,126	22,126	22,126
Capitalized Interest	-	-	-
Unrealized Gain/Loss	181	-	-
Change in Matured Bonds Payable	-	-	-
Principal Expenditure	<u>(361,196)</u>	<u>(371,987)</u>	<u>(377,090)</u>
Net Adjustment - Increase/(Decrease) to Fund Balance	<u>(338,889)</u>	<u>(349,861)</u>	<u>(354,964)</u>
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$232,278	\$245,913	\$263,897
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$28,422	\$13,635	\$17,984
<u>Fund Balance Components at Beginning of FY</u>	7/1/20	7/1/21	
Cash	\$579,179	\$606,904	
Cash with Fiscal Agent	-	-	
Matured Bonds Payable	(359,796)	(361,196)	
Interest Payable	(15,527)	(13,431)	
Total Beginning Fund Balance	<u>\$203,856</u>	<u>\$232,277</u>	

FY 2022-23 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$1,000	\$48	(\$952)	(95.20%)
Subtotal Use of Money	\$1,000	\$48	(\$952)	(95.20%)
<u>OTHER FINANCING SOURCES</u>				
47102 Transfers in - btw Govtl Funds	\$930,000	\$838,000	(\$92,000)	(9.89%)
Subtotal Other Financing Sources	\$930,000	\$838,000	(\$92,000)	(9.89%)
TOTAL REVENUES	\$931,000	\$838,048	(\$92,952)	(9.98%)
EXPENDITURES:				
<u>OTHER FINANCING USES</u>				
57011 Transfers out - within a Fund	\$1,075,000	\$838,000	(\$237,000)	(22.05%)
Subtotal Other Financing Uses	\$1,075,000	\$838,000	(\$237,000)	(22.05%)
TOTAL EXPENDITURES	\$1,075,000	\$838,000	(\$237,000)	(22.05%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$144,000	(\$48)	(\$144,048)	(100.03%)

**FY 2022-23 BUDGET
CHARACTER JUSTIFICATION**

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$10,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$48

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

47102 Transfers in - btw Govtl Funds

This account records the transfer of available funds from the General Fund to the ALW Rate Stabilization Fund to assist in funding the ALW Operations Fund, on an as-needed basis in order to comply with the debt financing covenants. There is a budgeted transfer planned for FY 22-23 in the amount of \$838,000.

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

57011 Transfers out-within a Fund

This account reflects amounts transferred from the ALLW Rate Stabilization Fund to the ALW Operations Fund in order to comply with the debt financing covenants. There is a budgeted transfer planned for FY 22-23 in the amount of \$838,000.

FY 2022-23 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$150,476	\$151,628	\$7,628
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	1,107	931,000	838,048
Expenditures - (Decrease) fund balance	0	(1,075,000)	(838,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	<u>1,106</u>	<u>(144,000)</u>	<u>48</u>
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	45	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	<u>45</u>	<u>-</u>	<u>-</u>
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$151,628	\$7,628	\$7,676
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$1,152	(\$144,000)	\$48
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/20</u>	<u>7/1/21</u>	
Equity in Pooled Cash	\$150,476	\$151,628	
Total Beginning Fund Balance	<u>\$150,476</u>	<u>\$151,628</u>	

FY 2022-23 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$2,000	\$240	(\$1,760)	(88.00%)
Subtotal Use of Money	\$2,000	\$240	(\$1,760)	(88.00%)
TOTAL REVENUES	\$2,000	\$240	(\$1,760)	(88.00%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51201 Administration Services	\$0	\$1,000	\$1,000	N/A
Subtotal Services and Supplies	\$0	\$1,000	\$1,000	N/A
<u>OTHER CHARGES</u>				
53103 Interest on Long-Term Debt	\$32,000	\$45,000	\$13,000	40.63%
Subtotal Other Charges	\$32,000	\$45,000	\$13,000	40.63%
<u>ADMINISTRATIVE CONTROL</u>				
59002 Advances	\$28,000	\$60,000	\$32,000	114.29%
59003 Advances Clearing	(28,000)	(60,000)	(32,000)	114.29%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$32,000	\$46,000	\$14,000	43.75%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$30,000	\$45,760	\$15,760	52.53%

**FY 2022-23 BUDGET
CHARACTER JUSTIFICATION**

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$50,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$240

Character Title: Services and Supplies Character No.: 44725-33100500-51

51201 Administration Costs

This account represents administration fee assessed by the County.

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

53103 Interest on Long-Term Debt

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

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

59002 Advances

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

59003 Advances - Clearing

This is the clearing account for account 59002.

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

19832 CIP - Infrastructure

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

Larkfield Estates Sewer Main Project completed in FY20-21, no planned work in FY22-23.

FY 2022-23 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$602,386	\$218,140	\$243,440
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	8,292	2,000	240
Expenditures - (Decrease) fund balance	(1,382,965)	(32,000)	(46,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	<u>(1,374,673)</u>	<u>(30,000)</u>	<u>(45,760)</u>
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	155	-	-
Change in Encumbrances	1,206,971	-	-
Construction Loan Payoff	83,300	83,300	-
Principal Received - Advances from Other Funds	-	-	-
Principal on loan payment to Facilities Fund	(300,000)	(28,000)	(60,000)
Net Adjustment - Increase/(Decrease) to Fund Balance	<u>990,426</u>	<u>55,300</u>	<u>(60,000)</u>
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$218,140	\$243,440	\$137,680
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$384,246)	\$25,300	(\$105,760)
<u>Fund Balance Components at Beginning of FY</u>	7/1/20	7/1/21	
Equity in Pooled Cash	\$2,515,049	\$176,490	
Accounts Receivable-AR Module	\$41,650	\$41,650	
Vouchers Payable	(\$2,118)	\$0	
Accounts Payable	(\$616,983)	\$0	
Retention Payable	(\$128,241)	\$0	
Encumbrances	(\$1,206,971)	\$0	
Total Beginning Fund Balance	<u>\$602,386</u>	<u>\$218,140</u>	