

SONOMA COUNTY WATER AGENCY

FY 22-23 BUDGET REQUEST

COUNTY SANITATION DISTRICTS

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COUNTY SANITATION DISTRICTS

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FY 2022-23 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 21-22 Adopted	FY 22-23 Requested	Percent Change	FY 21-22 Adopted	FY 22-23 Requested	Percent Change
Operations	\$2,091,000	\$2,459,538	17.62%	\$473,258	(\$50,347)	(110.64%)
Construction	450,000	495,000	10.00%	(251,500)	(106,046)	(57.83%)
TOTAL:	\$2,541,000	\$2,954,538	16.27%	\$221,758	(\$156,394)	(170.52%)

C. Staffing Summary

No staffing is allocated to this fund.

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	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 22-23 annual service charges is \$2,732 representing a 4.9% increase from FY 21-22. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 21-22 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 22-23 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 2022-23 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 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$638,306	\$305,025	(\$333,281)	(52.21%)
40202 Direct Charges - PY	25,000	0	(25,000)	(100.00%)
40999 Penalties/Costs on Taxes	1,000	0	(1,000)	(100.00%)
Subtotal Taxes	\$664,306	\$305,025	(\$359,281)	(54.08%)
<u>INTERGOVERNMENTAL</u>				
42358 State Other Funding	\$0	\$0	\$0	N/A
42461 Federal Other Funding	0	15,000	15,000	N/A
42610 Other Government Agencies	925,000	2,100,000	1,175,000	127.03%
Subtotal Intergovernmental	\$925,000	\$2,115,000	\$1,190,000	128.65%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$5,000	\$2,160	(\$2,840)	(56.80%)
Subtotal Use of Money	\$5,000	\$2,160	(\$2,840)	(56.80%)
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$23,436	\$87,700	\$64,264	274.21%
Subtotal Charges for Services	\$23,436	\$87,700	\$64,264	274.21%
TOTAL REVENUES	\$1,617,742	\$2,509,885	\$892,143	55.15%

EXPENDITURES:

SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$120,000	\$485,000	\$365,000	304.17%
51201 Administration Services	5,800	5,100	(700)	(12.07%)
51205 Advertising/Marketing	0	200	200	N/A
51206 Accounting/Auditing Services	9,800	9,900	100	1.02%
51211 Legal Services	3,000	3,000	0	0.00%
51231 Testing/Analysis	11,000	11,000	0	0.00%
51241 Outside Printing & Binding	200	500	300	150.00%
51244 Permits/License/Fees	35,000	10,000	(25,000)	(71.43%)
51401 Rents & Leases-Equipment	5,000	5,400	400	8.00%
51803 Other Contract Services	54,500	208,800	154,300	283.12%
51902 Telecommunication Usage	500	800	300	60.00%
51916 County Services	5,000	6,000	1,000	20.00%
51917 District Operations Chgs	765,700	685,238	(80,462)	(10.51%)

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
EXPENDITURES:				
<u>SERVICES AND SUPPLIES (Contd.)</u>				
51921 Equipment Usage Charges	157,500	213,000	55,500	35.24%
52071 Materials and Supplies Expense	0	500	500	N/A
52081 Medical/Lab Supplies	0	50	50	N/A
52091 Memberships/Certifications	0	50	50	N/A
52141 Minor Equipment/Small Tools	0	3,000	3,000	N/A
52171 Water Conservation Prog	7,000	2,000	(5,000)	(71.43%)
52193 Utilities-Power	20,000	24,000	4,000	20.00%
Subtotal Services and Supplies	\$1,200,000	\$1,673,538	\$473,538	39.46%
<u>OTHER CHARGES</u>				
53402 Depreciation Expense	\$181,000	\$171,000	(\$10,000)	(5.52%)
Subtotal Other Charges	\$181,000	\$171,000	(\$10,000)	(5.52%)
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$700,000	\$600,000	(\$100,000)	(14.29%)
Subtotal Other Financing Uses	\$700,000	\$600,000	(\$100,000)	(14.29%)
<u>FIXED ASSETS</u>				
19840 Acq-WIP-Equipment	\$10,000	\$15,000	\$5,000	50.00%
Subtotal Fixed Assets	\$10,000	\$15,000	\$5,000	50.00%
TOTAL EXPENDITURES	\$2,091,000	\$2,459,538	\$368,538	17.62%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$473,258	(\$50,347)	(\$523,605)	(110.64%)

FY 2022-23 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 21-22 budget. The rate will increase 4.9% from \$2,604 to \$2,732.

ESDs times annual rate:	118 x \$2,732	\$322,400
Less Estimated Delinquency Factor:	5.4%	(17,400)
		<hr/>
		\$305,000

(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

42461 Federal Other Funding

This records an anticipated reimbursement of a Local Hazard Mitigation Plan grant.

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	\$450,000
Projected Interest Rate	0.48%
	<hr/>
Projected/Planned Interest on Pooled Cash	\$2,160

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 22-23 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 \$2,604 to \$2,732.

ESDs x Annual Charge	32.1 x \$2,732	=	\$87,700
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FY 2022-23 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.

FY 22-23 Planned Maintenance-Equipment:

Sludge Removal	\$185,000	DR
Rehab six manholes	25,000	DR
Electrical Project & Pond Level Indicator	50,000	SG
Aerator & Deodorizer	75,000	EK
Disposal Fees (annual charge)	150,000	ALWSZ
	<u>\$485,000</u>	

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.

51401 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:

FY 22-23 Planned Contract Services:

Multi-year agreement - audit	\$9,738
Local Hazard Mitigation Program Update	20,000
Regulatory Permitting Assistance	10,000
SCADA	18,800
	<u>\$58,538</u>

FY 2022-23 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.

51921 Equipment Usage Charges

This item is requested to provide funds for equipment usage.

52081 Medical/Lab Supplies

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

52091 Memberships/Certifications

This account records membership dues/certificates.

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. FY 22-23 planned transfer of \$600,000 for Occidental-Graton Pipeline Project.

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 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$492,757	\$719,985	\$256,897
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,373,934	1,559,265	2,509,860
Expenditures - (Decrease) retained earnings	(1,203,962)	(2,203,100)	(2,459,538)
	169,972	(643,835)	50,322
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
Adjustments to Reserves/Encumbrances:			
Depreciation (53402)	161,595	180,747	171,000
Post Audit Adjustment	(39,000)	-	-
Unrealized Gain/loss	260	-	-
Change in Encumbrance	(65,600)	-	-
	57,255	180,747	171,000
Net Adjustment - Increase/(Decrease) to Retained Earnings			
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$719,985	\$256,897	\$478,219
Target Fund Balance	\$521,057	\$656,050	\$836,769
<i>Over/(Under) Target Fund Balance</i>	<i>\$198,928</i>	<i>(\$399,153)</i>	<i>(\$358,550)</i>
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$227,228	(\$463,088)	\$221,322
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$587,005	\$904,475	
Other Receivables (Flat Charges)	50,475	57,241	
Accounts Payable	(1,488)	(39,050)	
Accounts Receivable	-	30,550	
Retention Receivable	-	13	
Due from Other Governments	503	-	
Encumbrances	(143,598)	(209,198)	
Vouchers Payable	(140)	(24,046)	
	\$ 492,757	\$ 719,985	
Total Beginning Retained Earnings			

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 Interest on Pooled Cash	\$1,500	\$1,046	(\$454)	(30.24%)
Subtotal Use of Money	\$1,500	\$1,046	(\$454)	(30.24%)
MISCELLANEOUS REVENUE				
46021 Capital Grants-Federal	\$0	\$0	\$0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
OTHER FINANCING SOURCES				
47101 Transfers In -within a Fund	\$700,000	\$600,000	(\$100,000)	(14.29%)
Subtotal Other Financing Sources	\$700,000	\$600,000	(\$100,000)	(14.29%)
TOTAL REVENUES	\$701,500	\$601,046	(\$100,454)	(14.32%)
EXPENDITURES:				
FIXED ASSETS				
19832 CIP - Infrastructure	\$450,000	\$495,000	\$45,000	10.00%
Subtotal Fixed Assets	\$450,000	\$495,000	\$45,000	10.00%
TOTAL EXPENDITURES	\$450,000	\$495,000	\$45,000	10.00%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$251,500)	(\$106,046)	\$145,454	(57.83%)

FY 2022-23 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	\$218,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$1,046

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 \$600,000 for FY 22-23.

Character Title: Fixed Assets

Character No.: 43102-33060200-19

19832 CIP-Infrastructure

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

<u>Planned Projects for FY 22-23:</u>	Project No.	Amount
Automation Project	O0053	\$20,000
Occidental-Graton Pipeline	O0058/59	\$475,000

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$62,913	\$113,349	\$364,849
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	3,141	\$701,500	601,046
Expenditures - (Decrease) retained earnings	(2,265)	(\$450,000)	(495,000)
	876	251,500	106,046
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
	876	251,500	106,046
Adjustments to Reserves/Encumbrances:			
Change in Encumbrance	49,514	-	-
Post Audit Adjustment	-	-	-
Unrealized Gain/loss	46	-	-
	49,560	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings			
	49,560	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$113,349	\$364,849	\$470,896
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$50,436	\$251,500	\$106,046
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$153,312	\$154,234	
Vouchers Payable	-	-	
Accounts Payable	-	-	
Retention Payable	(12,091)	(12,091)	
Encumbrances	(78,308)	(28,794)	
	\$62,913	\$113,349	
Total Beginning Retained Earnings			
	\$62,913	\$113,349	

FY 2022-23 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 21-22 Adopted	FY 22-23 Requested	Percent Change	FY 21-22 Adopted	FY 22-23 Requested	Percent Change
Operations	\$6,720,974	\$10,859,516	61.58%	\$575,635	\$136,116	(76.35%)
Revenue Bonds	0	0	N/A	0	0	N/A
Construction	799,680	2,055,184	157.00%	637,680	(549,860)	(186.23%)
TOTAL:	\$7,520,654	\$12,914,700	71.72%	\$1,213,315	(\$413,744)	(134.10%)

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	3,213	3,213	3,210	3,210	(0.09%)
TOTAL APNs	2,497	2,497	2,498	2,498	0.04%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 22-23 annual service charges is \$1,932, representing a 8.9% increase from FY 21-22. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 21-22 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.

FY 2022-23 BUDGET BUDGET SECTION SUMMARY

Section Title:

RUSSIAN RIVER 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 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$5,255,667	\$5,737,600	\$481,932	9.17%
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	\$5,415,667	\$5,897,600	\$481,932	8.90%
<u>INTERGOVERNMENTAL</u>				
42461 Federal Other Funding	\$75,000	\$175,000	\$100,000	133.33%
42610 Other Governmental Agencies	600,000	4,607,000	4,007,000	667.83%
Subtotal Intergovernmental	\$675,000	\$4,782,000	\$4,107,000	608.44%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$5,000	\$4,800	(\$200)	(4.00%)
Subtotal Use of Money	\$5,000	\$4,800	(\$200)	(4.00%)
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$49,672	\$39,000	(\$10,672)	(21.48%)
Subtotal Charges for Services	\$49,672	\$39,000	(\$10,672)	(21.48%)
TOTAL REVENUES	\$6,145,339	\$10,723,400	\$4,578,060	74.50%

EXPENDITURES:

SERVICES AND SUPPLIES

51032 Janitorial Services	\$2,600	\$5,000	\$2,400	92.31%
51061 Maintenance - Equipment	330,000	1,236,048	906,048	274.56%
51201 Administration Services	47,000	50,800	3,800	8.09%
51205 Advertising Marketing Serv	600	720	120	20.00%
51206 Accounting/Auditing Service	10,700	11,400	700	6.54%
51211 Legal Services	9,000	13,000	4,000	44.44%
51231 Testing/Analysis	340,000	331,700	(8,300)	(2.44%)
51241 Outside Printing & Binding	2,500	700	(1,800)	(72.00%)
51244 Permits/License/Fees	16,000	26,900	10,900	68.13%
51401 Rents & Leases-Equipment	39,000	37,700	(1,300)	(3.33%)
51601 Training/Conference Exp	200	0	(200)	(100.00%)
51803 Other Contract Services	475,200	2,307,263	1,832,063	385.54%
51902 Telecommunication Usage	4,300	6,800	2,500	58.14%
51916 County Services	15,000	17,300	2,300	15.33%
51917 District Operations Chgs	3,380,000	3,529,169	149,169	4.41%

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
<u>SERVICES AND SUPPLIES (cont'd)</u>				
51921 Equipment Usage Charges	136,500	154,000	17,500	12.82%
52071 Materials and Supplies Expense	3,600	10,000	6,400	177.78%
52072 Chemicals	15,000	15,000	0	0.00%
52081 Medical/Laboratory Supplies	19,000	19,000	0	0.00%
52091 Membership	500	500	0	0.00%
52111 Office Supplies	3,700	3,900	200	5.41%
52117 Mail and Postage Supplies	100	400	300	300.00%
52141 Minor Equipment/Small Tools	10,000	10,000	0	0.00%
52142 Computer Equip/Accessories	23,500	700	(22,800)	(97.02%)
52143 Software/Licensing Fees	14,000	900	(13,100)	(93.57%)
52171 Water Conservation Program	26,000	8,000	(18,000)	(69.23%)
52191 Utilities	2,500	2,400	(100)	(4.00%)
52193 Utilities-Power	155,000	180,700	25,700	16.58%
<i>Subtotal Services and Supplies</i>	<u>\$5,081,500</u>	<u>\$7,980,000</u>	<u>\$2,898,500</u>	<u>57.04%</u>
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$53,474	\$45,516	(\$7,958)	(14.88%)
53401 Amortization Exp	17,000	17,000	0	0.00%
53402 Depreciation Expense	1,559,000	1,497,000	(62,000)	(3.98%)
<i>Subtotal Other Charges</i>	<u>\$1,629,474</u>	<u>\$1,559,516</u>	<u>(\$69,958)</u>	<u>(4.29%)</u>
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$0	\$1,300,000	\$1,300,000	N/A
<i>Subtotal Other Financing Uses</i>	<u>\$0</u>	<u>\$1,300,000</u>	<u>\$1,300,000</u>	<u>N/A</u>
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$314,593	\$322,551	\$7,958	2.53%
59003 Advances Clearing	(314,593)	(322,551)	(7,958)	2.53%
<i>Subtotal Administrative Control</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$0	\$0	\$0	N/A
19841 Work in Progress - Intang	10,000	20,000	10,000	100.00%
<i>Subtotal Fixed Assets</i>	<u>\$10,000</u>	<u>\$20,000</u>	<u>\$10,000</u>	<u>100.00%</u>
TOTAL EXPENDITURES	<u>\$6,720,974</u>	<u>\$10,859,516</u>	<u>\$4,138,542</u>	<u>61.58%</u>
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	<u>\$575,635</u>	<u>\$136,116</u>	<u>(\$439,518)</u>	<u>(76.35%)</u>

FY 2022-23 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 21-22 budget. The rate will increase 8.9%, from \$1,774 to \$1,932.

ESDs times annual rate:	3,189 x \$1,932	\$6,161,148
Less Estimated Delinquency Factor:	4.28%	(263,548)
		<u>\$5,897,600</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

42461 Federal Other Funding

This records an anticipated reimbursement of a Local Hazard Mitigation Plan grant.

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	\$1,000,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$4,800</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 22-23 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 \$1,774 to \$1,932.

ESDs x Annual Charge	21 x \$1,932	=	\$39,000
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FY 2022-23 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.

FY 22-23 Planned Maintenance-Equipment:

Aeration Basin Blower	\$15,000
Concrete Projects	40,000
Disaster Preparedness Study	20,000
Electrical Service Replacement (3 Lift Stations)	174,643
Headworks, List Station, and Force Main Project	661,405
Lab Improvements	25,000
Pipeline Crossing Vulnerability Assessment	100,000
Security (Fencing/Razor Wire/Signage)	25,000
Transfer Line Mag Meter & Influent Meter	75,000
As-needed Projects	100,000
	<u>\$1,236,048</u>

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.

FY 2022-23 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

51803 Other Contract Services

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

FY 22-23 Planned Contract Services:

Engineering Study	50,000
Hazardous Materials Assistance	20,000
Local Hazard Mitigation Program Update	200,000
Manhole Inspection/Repair	300,000
Multi-year agreements	40,263
Pavement Preservation TPW	55,000
Planning	75,000
Regulatory Assistance	50,000
SCADA	272,000
Sewer Pipeline Improvements Feasibility Study	700,000
Soil Removal	75,000
Treatment Plant Master Plan	385,000
Work plan (SECAP)	85,000
	<u>\$2,307,263</u>

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.

FY 22-23 Planned Staff Work:

Collection System Operations and Maintenance Plan Update	30,000
	<u>\$30,000</u>

51921 Equipment Usage Charges

This account provides funds for equipment usage.

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.

52091 Memberships/Certifications

This account records membership dues/certificates.

52111 Office Supplies

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

52117 Mail and Postage Supplies

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

FY 2022-23 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

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.

52143 Software/Licensing Fees

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

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	1,300,000
Total Operating Transfer	\$1,300,000

FY 2022-23 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 21-22 Principal Payment:	(3,094,236)
FY 22-23 Principal Payment:	<u>(226,536)</u>
Outstanding Loan Amount	\$480,197

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 21-22 Principal Payment	(821,719)
FY 22-23 Principal Payment:	<u>(96,015)</u>
Outstanding Loan Amount	\$1,024,491

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 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,457,378	\$482,226	\$639,399
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	6,300,685	7,986,449	10,723,400
Expenditures - (Decrease) retained earnings	(7,540,367)	(9,082,726)	(10,859,516)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,239,681)	(1,096,277)	(136,116)
Adjustments to Reserves/Encumbrances:			
Depreciation (53402)	1,426,086	1,559,000	1,497,000
Advances (59002)	(314,592)	(322,550)	(330,711)
Unrealized Gain/loss	460	-	-
Change in Prepaid Expense	97	-	-
Post Audit Adjustment	(750,000)	-	-
Amortization	7,556	17,000	17,000
Net Change in Encumbrance	(105,078)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	264,529	1,253,450	1,183,289
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$482,226	\$639,399	\$1,686,572
 Target Fund Balance	 \$2,516,807	 \$3,561,443	 \$3,990,000
<i>Over/(Under) Target Fund Balance</i>	<i>(\$2,034,582)</i>	<i>(\$2,922,043)</i>	<i>(\$2,303,428)</i>
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	 (\$975,152)	 \$157,173	 \$1,047,173
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Equity in Pooled Cash	\$2,016,364	\$2,193,528	
Due from State/Federal/Other Gov AR	38,245	5,980	
Other Receivables (Flat Charges)	373,902	343,096	
Allowance for Uncollectible Accounts	-	-	
Vouchers Payable	(47,009)	(38,077)	
Accounts Receivable-AR Module	-	-	
Accounts Payable	(9,568)	16,860	
Unearned Revenue	-	(265,755)	
Loan Payable-Current	(306,830)	(314,592)	
Due to State/Federal	(21,057)	(21,057)	
Due to Other Governments	-	(750,000)	
Interest Payable	(24,848)	(20,857)	
Encumbrances (Contract)	(561,821)	(666,899)	
Total Beginning Retained Earnings	\$1,457,378	\$482,227	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$3,000	\$3,360	\$360	12.00%
Subtotal Use of Money	\$3,000	\$3,360	\$360	12.00%
<u>MISCELLANEOUS REVENUE</u>				
46021 Capital Grants - Federal	\$0	\$655,184	\$655,184	N/A
46022 Capital Grants - State	150,000	637,500	487,500	325.00%
46024 Connection Fees	9,000	9,000	0	0.00%
Subtotal Miscellaneous Revenue	\$159,000	\$1,301,684	\$1,142,684	718.67%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers in-within a Fund	\$0	\$1,300,000	\$1,300,000	N/A
Subtotal Other Financing Sources	\$0	\$1,300,000	\$1,300,000	N/A
TOTAL REVENUES	\$162,000	\$2,605,044	\$2,443,044	1508.05%
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$799,680	\$2,055,184	\$1,255,504	157.00%
Subtotal Fixed Assets	\$799,680	\$2,055,184	\$1,255,504	157.00%
TOTAL EXPENDITURES	\$799,680	\$2,055,184	\$1,255,504	157.00%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$637,680	(\$549,860)	(\$1,187,540)	(186.23%)

FY 2022-23 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	\$700,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$3,360

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

46021 Capital Grants - Federal

This account reflects anticipated funds for potential a UV System Retrofit project & Underground Storage Tank Removal project.

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 22-23.

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 a planned transfer of \$1,300,000 in FY 22-23.

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 RRCSA 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.

<u>Planned Projects for FY 22-23:</u>	<u>Project No.</u>	<u>Amount</u>
ACL Compliance Project	<i>tbd</i>	\$550,000
Headworks, Lift Station, and Force Main Project Ph 2	<i>tbd</i>	850,000
UV System Retrofit	<i>tbd</i>	338,120
UV System Retrofit	<i>tbd</i>	317,064
Lift Station Electrical Resiliency (Vacation Beach)	<i>R0115</i>	-
		\$2,055,184

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,159,655	\$448,380	\$501,418
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,186,744	1,442,136	2,605,044
Expenditures - (Decrease) retained earnings	(678,938)	(1,389,098)	(2,055,184)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	507,806	53,038	549,860
Adjustments to Reserves/Encumbrances:			
Change in Encumbrances	(1,219,686)	-	-
Unrealized Gain/loss	608	-	-
Post Audit Adjustment	-	-	-
Gain/Loss on Disposal of Capital Assets	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,219,078)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings	\$448,380	\$501,418	\$1,051,278
Available for Budgeting	\$448,380	\$501,418	\$1,051,278
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$711,275)	\$53,038	\$549,860
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Equity in Pooled Cash	\$1,175,607	\$1,751,459	
Retention Receivable	16,892	16,892	
Due from Federal AR	115,434	99,322	
Encumbrances	(113,966)	(1,333,652)	
Accounts Payable	(19,275)	(1,390)	
Retention Payable	-	(4,213)	
Vouchers Payable	(15,037)	(80,038)	
Total Beginning Retained Earnings	\$1,159,655	\$448,380	

FY 2022-23 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 21-22 Adopted	FY 22-23 Requested	Percent Change	FY 21-22 Adopted	FY 22-23 Requested	Percent Change
Operations	\$20,326,240	\$22,136,386	8.91%	\$2,679,402	\$4,424,946	65.15%
Construction	9,641,195	8,106,896	(15.91%)	(5,257,102)	3,558,356	(167.69%)
Revenue Bonds	11,065,165	701,765	(93.66%)	9,449,200	(1,771,720)	(118.75%)
SRF Loan	65,186	56,496	(13.33%)	(384,757)	(387,385)	0.68%
Wet Weather Mitig	42,000	42,000	0.00%	8,800	10,464	18.91%
TOTAL:	\$41,139,786	\$31,043,543	(24.54%)	\$6,495,543	\$5,834,661	(10.17%)

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	17,613	17,535	17,766	17,771	1.35%
TOTAL APNs	10,487	10,475	10,522	10,527	0.50%

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 2022-23 BUDGET BUDGET SECTION SUMMARY

Section Title:

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

FY 22-23 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 6.0% for FY 22-23.

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$15,947,905	\$16,574,600	\$626,695	3.93%
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	\$16,137,905	\$16,764,600	\$626,695	3.88%
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$20,000	\$20,640	\$640	3.20%
44101 Rent - Real Estate	11,000	11,000	0	0.00%
Subtotal Use of Money	\$31,000	\$31,640	\$640	2.06%
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$1,287,933	\$835,200	(\$452,733)	(35.15%)
45301 Charges for Services	130,000	30,000	(100,000)	(76.92%)
45316 Water Conservation	60,000	50,000	(10,000)	(16.67%)
Subtotal Charges for Services	\$1,477,933	\$915,200	(\$562,733)	(38.08%)
TOTAL REVENUES	\$17,646,838	\$17,711,440	\$64,602	0.37%

EXPENDITURES:

SERVICES AND SUPPLIES

51032 Janitorial Services	\$6,000	\$30,000	\$24,000	400.00%
51061 Maintenance - Equipment	961,600	1,950,250	988,650	102.81%
51201 Administration Costs	138,800	140,000	1,200	0.86%
51205 Advertising/Marketing	2,300	3,800	1,500	65.22%
51206 Accounting/Auditing Services	8,500	9,500	1,000	11.76%
51211 Legal Services	63,000	52,000	(11,000)	(17.46%)
51212 Outside Counsel - Legal Advice	10,500	0	(10,500)	(100.00%)
51231 Testing/Analysis	140,000	95,000	(45,000)	(32.14%)
51241 Outside Printing & Binding	11,000	9,100	(1,900)	(17.27%)
51244 Permits/License/Fees	97,000	123,200	26,200	27.01%
51253 County Counsel - Litigation	0	10,600	10,600	N/A
51401 Rents & Leases-Equipment	9,000	12,000	3,000	33.33%
51601 Training/Conference Expenses	1,500	500	(1,000)	(66.67%)
51602 Business Travel/Mileage	200	200	0	0.00%
51605 Private Car Expense	700	1,000	300	42.86%
51803 Other Contract Services	800,000	859,198	59,198	7.40%
51902 Telecommunication Usage	6,000	5,250	(750)	(12.50%)
51916 County Services	50,000	42,000	(8,000)	(16.00%)
51917 District Operations Chgs	6,446,750	8,286,902	1,840,152	28.54%

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
<u>SERVICES AND SUPPLIES (continued)</u>				
51921 Equipment Usage Charges	362,250	436,000	73,750	20.36%
52021 Clothing	2,000	4,000	2,000	100.00%
52061 Fuel/Gas/Oil	5,500	4,100	(1,400)	(25.45%)
52071 Materials and Supplies Expense	1,000	1,000	0	0.00%
52072 Chemicals	470,000	470,000	0	0.00%
52081 Medical/Laboratory Supplies	40,000	40,000	0	0.00%
52091 Memberships/Certifications	15,000	15,000	0	0.00%
52111 Office Supplies	8,000	9,000	1,000	12.50%
52117 Mail and Postage Supplies	500	1,000	500	100.00%
52141 Minor Equipment/Small Tools	32,000	47,000	15,000	46.88%
52142 Computer Equip/Accessories	72,000	2,000	(70,000)	(97.22%)
52143 Software/Licensing Fees	6,000	6,000	0	0.00%
52171 Water Conservation Program	60,000	30,000	(30,000)	(50.00%)
52193 Utilities-Power	575,000	700,000	125,000	21.74%
Subtotal Services and Supplies	\$10,402,100	\$13,395,600	\$2,993,500	28.78%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$97,202	\$90,649	(\$6,553)	(6.74%)
53402 Depreciation Expense	4,919,000	4,296,000	(623,000)	(12.67%)
53401 Amortization Expense	44,000	44,000	0	0.00%
Subtotal Other Charges	\$5,060,202	\$4,430,649	(\$629,553)	(12.44%)
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$4,444,938	\$3,909,737	(\$535,201)	(12.04%)
Subtotal Other Financing Uses	\$4,444,938	\$3,909,737	(\$535,201)	(12.04%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 Advances	\$252,032	\$278,585	\$26,553	10.54%
59003 Advances Clearing	(252,032)	(278,585)	(26,553)	10.54%
Subtotal Admin Control Account	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
19820 Machinery & Equipment	\$106,000	\$109,000	\$3,000	2.83%
19841 Work in Progress - Intang	313,000	291,400	(21,600)	(6.90%)
Subtotal Fixed Assets	\$419,000	\$400,400	(\$18,600)	(4.44%)
TOTAL EXPENDITURES	\$20,326,240	\$22,136,386	\$1,810,146	8.91%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$2,679,402	\$4,424,946	\$1,745,544	65.15%

FY 2022-23 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 21-22 budget. The rate will increase 6.0%, from \$1,132 to \$1,200.

ESDs times annual rate:	15,648 x \$1,200	\$18,777,600
Less Estimated Delinquency Factor:	10.7%	<u>(2,013,000)</u>
		\$16,764,600

(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.:** 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	\$4,300,000
Projected Interest Rate	<u>0.48%</u>
Projected Interest on Pooled Cash	\$20,640

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	696 x \$1,200	= \$835,200
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45221 Sewer/Water Usage Fees (Industrial Users Monitoring/Discharge)

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. 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 also 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 2022-23 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.

FY 22-23 Planned Maintenance-Equipment:

Aqua Disk Filter Panel Replacements	\$85,000
Audit Recycle Water Meter	10,000
Blower Improvements	50,000
Connect I/O Feedback of Diversion Valve	10,000
Lateral Repair & Replacements	200,000
Management Units Road Repairs	5,000
Pipe & Manhole Rehabilitation	250,000
Re-coat Aeration, Chlorine Contact & Grit Basins	243,250
Root Control in Collection System	25,000
SCADA	872,000
Sewer/Stream Crossing	50,000
	<hr/>
	\$1,800,250

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 2022-23 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:

FY 22-23 Planned Contract Services:

As-needed Agreement Maintenance Rentals	\$30,000
Permit & Regulatory Assistance	100,000
BACWA	35,000
Hazardous Materials Assistance	20,000
Management Units Restoration	30,000
Mosquito Abatement	55,000
Multi-year Agreements	164,658
NBWRA	100,000
Rate Study for Recycle Water	70,000
Sanitation Planning	140,000
SMART Lids Monitoring	9,540
Stream Crossing Database	40,000
TPW Pavement Preservation	35,000
	<hr/>
	\$829,198

51902 Telecommunication Usage

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

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.

FY 22-23 Planned Staff Work:

Connect I/O Feedback of Diversion Valve	\$15,000
Facility Drawings (CAD Updates)	60,000
Management Units Restoration	15,000
Management Units Road Repairs	10,000
Rate Study for Recycle Water	15,000
Sonoma Creek Bank Repair - Kohler Creek	72,100
	<hr/>
	\$187,100

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 2022-23 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.

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.

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 (\$33,306) and Bio-Solids (\$57,343).

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	\$2,909,737
Construction Fund	1,000,000
Total Operating Transfer	<u>\$3,909,737</u>

FY 2022-23 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 22-23 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 21-22 Principal Payment	(930,536)
FY 22-23 Principal Payment	(144,770)
	<u>\$2,060,718</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 22-23 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 21-22 Principal Payment	(1,039,331)
FY 22-23 Principal Payment	(133,815)
	<u>\$1,147,158</u>

59003 Advances - Clearing

This is the clearing account for account 59002, Advances.

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

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.

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 22-23 includes ROW of \$276,400 for Sonoma Creek Bank Repair.

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$3,053,442	\$3,232,985	\$3,909,730
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	18,026,232	17,647,479	17,711,440
Expenditures - (Decrease) retained earnings	(21,208,400)	(21,675,150)	(22,136,386)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>(3,182,167)</u>	<u>(4,027,671)</u>	<u>(4,424,946)</u>
Adjustments to Reserves/Encumbrances:			
53402 Depreciation Expense	\$ 4,048,770	\$ 4,919,000	\$ 4,296,000
Net Change in Encumbrance	(561,188)	-	-
Change in Prepaid Exp	(3,637)	-	-
Unrealized Gain/loss	1,172	-	-
Accrual of Principal Payment-Advances from Other Govts	(252,031)	(258,584)	(265,308)
Change in Reserved Fund Balance	-	-	-
Post Audit Adjustment	100,556	-	-
Gain/loss on disposal of Capital Assets	-	-	-
Advance Principal Expenditure	-	-	-
Amortization	28,069	44,000	44,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>3,361,711</u>	<u>4,704,416</u>	<u>4,074,692</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$3,232,986	\$3,909,730	\$3,559,476
Target Fund Balance	\$5,463,132	\$5,871,493	\$6,697,800
<i>Over/(Under) Target Fund Balance</i>	(\$2,230,146)	(\$1,961,763)	(\$3,138,324)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$179,544	\$676,745	(\$350,254)
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/2020</u>	<u>7/1/2021</u>	
Cash	\$ 3,724,086	\$ 3,648,762	
Other Receivables-Flat Charges	170,689	366,923	
Accounts Payable	(2,238)	(16,265)	
Due From Other Funds	-	114,279	
Retention Receivable	3,042	4,957	
Loans Payable-Current	(245,644)	(252,031)	
Allowance for Uncollectible Accounts	(968)	(968)	
Due from State AR	-	-	
Vouchers Payable	(316,918)	(195,195)	
Accounts Receivable-AR Module	575,074	968,558	
Prepaid Expense	-	-	
Due To Other Governments	-	-	
Unearned Revenue	(5,000)	(800)	
Reserved Fund Balance	-	-	
Interest Payment	(78,184)	(73,350)	
Deposit From Others	(1,500)	(1,700)	
Contract Retention Payable	-	-	
Encumbrances (Contract)	(768,997)	(1,330,185)	
Total Beginning Retained Earnings	<u>\$ 3,053,442</u>	<u>\$ 3,232,985</u>	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$20,000	\$39,840	\$19,840	99.20%
Subtotal Use of Money	\$20,000	\$39,840	\$19,840	99.20%
<u>MISCELLANEOUS REVENUE</u>				
46021 Capital Grants-Federal	\$2,528,297	\$3,108,700	\$580,403	22.96%
46024 Connection Fees	350,000	400,000	50,000	14.29%
Subtotal Miscellaneous Revenue	\$2,878,297	\$3,508,700	\$630,403	21.90%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$12,000,000	\$1,000,000	(\$11,000,000)	(91.67%)
Subtotal Other Financing Sources	\$12,000,000	\$1,000,000	(\$11,000,000)	(91.67%)
TOTAL REVENUES	\$14,898,297	\$4,548,540	(\$10,349,757)	(69.47%)
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$9,591,195	\$8,106,896	(\$1,484,299)	(15.48%)
Subtotal Fixed Assets	\$9,641,195	\$8,106,896	(\$1,534,299)	(15.91%)
TOTAL EXPENDITURES	\$9,641,195	\$8,106,896	(\$1,534,299)	(15.91%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$5,257,102)	\$3,558,356	\$8,815,458	(167.69%)

FY 2022-23 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	\$8,300,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$39,840

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

46021 Capital Grants-Federal

State grant funds anticipated in FY 22-23 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 (\$1,000,000) to finance the Capital Replacement Program. If the Operations Fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

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

19832 CIP-Infrastructure

This account is used for expenses associated with facility improvements or expansion. The following projects are planned for FY 22-23:

<u>Planned Projects for FY 22-23:</u>	Project No.	Amount
Trunk Main Replacement Project Phase 4C	V0142/V0143	\$528,025
Trunk Main Replacement Project Phase 5	V0164/V0165	808,216
Clarifiers-Seismic Retrofit	V0178	4,255,000
Chase St. Bridge Sewer Replace	V0093	33,500
Local Hazard Mitigation Projects		150,000
Headworks Rehabilitation		713,400
Hooker Creek Trunk Main Seismic Mitigation		757,440
Influent/Effluent Pumping and Piping Upgrade		811,315
8th St E Recycled Water Pipeline	V0183	50,000
		\$8,106,896

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$10,145,753	\$10,812,886	\$8,912,885
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,577,925	14,916,789	4,548,540
Expenditures - (Decrease) retained earnings	(7,367,387)	(16,816,790)	(8,106,896)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,789,462)	(1,900,001)	(3,558,356)
Adjustments to Reserves/Encumbrances:			
Unrealized Gains/Loss	3,381	-	-
Post Audit Adjustment	584	-	-
Gain/Loss on Disposal Capital Assets	-	-	-
Change in Encumbrances	2,452,629	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	2,456,595	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$10,812,886	\$8,912,885	\$5,354,529
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	 \$667,133	 (\$1,900,001)	 (\$3,558,356)
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$13,755,249	\$11,290,065	
Accounts Payable	(144,601)	(263,684)	
Retention Payable	(249,631)	-	
Retention Receivable	373	8,985	
Due from Federal AR	3,358	130,389	
Other Receivables	12,906	-	
Accounts Payable	(426,403)	-	
Contract Retention Payable	-	-	
Encumbrances (Contract)	(2,805,498)	(352,869)	
Total Beginning Retained Earnings	\$10,145,753	\$10,812,886	

FY 2022-23 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - 2022 Bonds

Fund/Department ID: 43303-33080400

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$0	\$863,000	\$863,000	N/A
Subtotal Other Financing Sources	\$0	\$863,000	\$863,000	N/A
<u>ADMINISTRATIVE CONTROL</u>				
49004 Administrative Control Account	\$15,000,000	\$0	(\$15,000,000)	(100.00%)
49005 Administrative Control Account Clearing	(15,000,000)	0	15,000,000	(100.00%)
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$0	\$863,000	\$863,000	N/A
EXPENDITURES:				
<u>SERVICE/SUPPLIES</u>				
51242 Bank Charges	\$6,000	\$6,000	\$0	0.00%
Subtotal Service/Supplies	\$6,000	\$6,000	\$0	0.00%
<u>OTHER CHARGES</u>				
53101 Principal Payments Long Term Debt	\$410,200	\$0	(\$410,200)	(100.00%)
53103 Interest on Long Term Debt	447,000	447,000	0	0.00%
53105 Costs of Issuance	300,000	0	(300,000)	(100.00%)
Subtotal Other Charges	\$1,157,200	\$447,000	(\$710,200)	(61.37%)
<u>OTHER FINANCING USES</u>				
57011 Transfers out-within a Fund	\$9,600,000	\$0	(\$9,600,000)	(100.00%)
Subtotal Other Financing Uses	\$9,600,000	\$0	(\$9,600,000)	(100.00%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$0	\$0	\$0	N/A
59005 Admin Control Acct-Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$10,763,200	\$453,000	(\$10,310,200)	(95.79%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$10,763,200	(\$410,000)	(\$11,173,200)	(103.81%)

FY 2022-23 BUDGET CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation
Section Title: Sonoma Valley CSD - 2022 Bonds

Character Title: Other Financing Sources Character No.: 43303-33080400-47

47101 Transfers In-within a Fund

This account will be used to reflect the transfer of cash from the Operations Fund to this Bond Fund to cover the annual principal and interest payment.

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

53103 Interest on Long Term Debt

This account reflects the interest expense on the 2022 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: Administrative Control Character No.: 43303-33080400-59

59004 Admin Control Acct

This account reflects the principal payment for the 2022 Bond Funds for SVCSO Capital Projects. Term is 25 years at 3.0% interest. Begins FY 21-22 and final payment is scheduled for FY 46-47. FY 22-23 request is based on the amortization schedule.

The following reflects the principal payment history to date:

Original Amount of the Bonds:	\$15,000,000
Total FY 21-22 through FY 21-22 Principal Payments:	(410,000)
FY 22-23 Principal Payments:	(410,000)
Outstanding Loan Amount	<u>\$14,180,000</u>

59005 Admin Control Acct-Clearing

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

FY 2022-23 BUDGET STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Fund: Sonoma Valley CSD - 2022 Bonds
Fund/Department ID: 43303-33080400

DESCRIPTION OF FUND ACTIVITY	Actual FY 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$5,099,800
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	-	863,000	-
Expenditures - (Decrease) retained earnings	-	(10,353,000)	(453,000)
Net Surplus or Deficit - Increase/(Dec) to retained earnings	-	(9,490,000)	(453,000)
Adjustments to Reserves/Encumbrances:			
Advances	-	15,000,000	-
Accrual of Principal Payment - Revenue Bonds	-	(410,200)	(410,000)
Change in Due to Other Governments	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	-	14,589,800	(410,000)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$5,099,800	\$4,236,800
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$0	\$5,099,800	(\$863,000)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$0	\$0	
Due to Other Governments	-	-	
Interest Payable	-	-	
Total Beginning Retained Earnings	\$0	\$0	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$1,870	\$898	(\$972)	(52.00%)
Subtotal Use of Money	\$1,870	\$898	(\$972)	(52.00%)
<u>Other Financing Sources</u>				
47101 Transfers In-within a Fund	\$442,973	\$442,972	(\$1)	(0.00%)
Subtotal Other Financing Sources	\$442,973	\$442,972	(\$1)	(0.00%)
TOTAL REVENUES	\$444,843	\$443,870	(\$973)	(0.22%)
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$65,186	\$56,496	(\$8,690)	(13.33%)
Subtotal Other Charges	\$65,186	\$56,496	(\$8,690)	(13.33%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$377,787	\$386,476	\$8,689	2.30%
59005 Admin Control Acct-Clearing	(377,787)	(386,476)	(8,689)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$65,186	\$56,496	(\$8,690)	(13.33%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$379,657)	(\$387,374)	(\$7,717)	2.03%

FY 2022-23 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	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$898</u>

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

47101 Transfers In-within a Fund

This account will be used to reflect the transfer of cash from the Operations Fund to this Loan Fund to cover the annual principal and interest payment.

Character Title: Other Charges Character No.: 43307-33080500-53

53103 Interest on LT Debt

This account reflects the interest expense for the State Revolving Loan for the Tertiary Treatment Plant Upgrades. The interest rate is 2.50%. Payment begin November 2007 and will continue annually until November 2027.

Character Title: Other Financing Uses Character No.: 43307-33080500-57

57011 Transfers out-within a Fund

No operating transfer will be budgeted in FY 22-23.

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 22-23 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 21-22 Principal Payments:	(4,551,155)
FY 22-23 Principal Payments:	<u>(386,476)</u>
Outstanding Loan Amount	<u>\$2,069,871</u>

59005 Admin Control Acct-Clearing

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

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$189,883	\$190,179	\$183,360
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	445,862	444,843	443,870
Expenditures - (Decrease) retained earnings	(67,962)	(65,186)	(56,496)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	377,901	379,657	387,374
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	-	-	-
Advances - Principal Expenditure	(377,787)	(386,476)	(395,365)
Capitalized Interest	-	-	-
Unrealized Gain/Loss	182	-	-
Increase in Matured Bonds Payable	-	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(377,605)	(386,476)	(395,365)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$190,179	\$183,360	\$175,369
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$296	(\$6,819)	(\$7,991)
<u>Fund Balance Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$607,219	\$610,292	
Interest Payable	(48,043)	(42,326)	
Due to Other Government	(369,293)	(377,787)	
Total Beginning Fund Balance	\$189,883	\$190,179	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 Interest on Pooled Cash	\$3,500	\$7	(\$3,493)	(99.79%)
Subtotal Use of Money	\$3,500	\$7	(\$3,493)	(99.79%)
TOTAL REVENUES	\$3,500	\$7	(\$3,493)	(99.79%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$3,500)	(\$7)	\$3,493	(99.79%)

FY 2022-23 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	\$1,500
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$7</u>

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$3,500
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	2,860	3,500	7
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	2,860	3,500	7
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	115	-	-
Change in Reserved Fund Balance	(2,975)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(2,860)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	(\$0)	\$3,500	\$3,507
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$0)	\$3,500	\$7
<u>Fund Balance Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$383,641	\$386,616	
Reserved Fund Balance	(\$383,641)	(\$386,616)	
Total Beginning Fund Balance	\$0	\$0	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
USE OF MONEY				
44002 Interest on Pooled Cash	\$1,600	\$4	(\$1,596)	(99.76%)
Subtotal Use of Money	\$1,600	\$4	(\$1,596)	(99.76%)
TOTAL REVENUES	\$1,600	\$4	(\$1,596)	(99.76%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,600)	(\$4)	\$1,596	(99.76%)

FY 2022-23 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	\$800
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$4</u>

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$1,600
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,229	1,600	4
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,229	1,600	4
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	50	-	-
Change in Reserved Fund Balance	(1,279)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,229)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$0	\$1,600	\$1,604
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$0	\$1,600	\$4
<u>Fund Balance Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$164,920	\$166,199	
Reserved Fund Balance	(\$164,920)	(\$166,199)	
Total Beginning Fund Balance	\$0	\$0	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$14,000	\$6,720	(\$7,280)	(52.00%)
Subtotal Use of Money	\$14,000	\$6,720	(\$7,280)	(52.00%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In-within a Fund	\$1,601,965	\$1,603,765	\$1,800	0.11%
Subtotal Other Financing Sources	\$1,601,965	\$1,603,765	\$1,800	0.11%
TOTAL REVENUES	\$1,615,965	\$1,610,485	(\$5,480)	(0.34%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$2,500	\$2,400	(\$100)	(4.00%)
Subtotal Services and Supplies	\$2,500	\$2,400	(\$100)	(4.00%)
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$293,250	\$240,150	(\$53,100)	(18.11%)
53104 Other Interest Expense	6,215	6,215	\$0	0.00%
Subtotal Other Charges	\$299,465	\$246,365	(\$53,100)	(17.73%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$1,300,000	\$1,355,000	\$55,000	4.23%
59005 Admin Control Acct-Clearing	(\$1,300,000)	(1,355,000)	(55,000)	4.23%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$301,965	\$248,765	(\$53,200)	(17.62%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$1,314,000)	(\$1,361,720)	(\$47,720)	3.63%

FY 2022-23 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	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$6,720</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 22-23.

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 21-22 Principal Payments	(4,790,000)
FY 22-23 Principal Payments	<u>(1,355,000)</u>
	\$5,960,000

59005 Admin Control Acct-Clearing

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

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,421,310	\$1,416,293	\$1,377,508
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,619,973	1,611,965	1,610,485
Expenditures - (Decrease) retained earnings	(269,449)	(301,965)	(248,765)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	<u>1,350,524</u>	<u>1,310,000</u>	<u>1,361,720</u>
Adjustments to Reserves/Encumbrances:			
Enterprise - Principal	(1,300,000)	(1,355,000)	(1,410,000)
Unrealized Gain/Loss	850	-	-
Loss on Refunding of Debt	6,212	6,215	6,215
Bond Premium	(62,545)	-	-
Change in Reserved Fund Balance	<u>214</u>	<u>-</u>	<u>-</u>
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>(1,355,269)</u>	<u>(1,348,785)</u>	<u>(1,403,785)</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,416,565	\$1,377,508	\$1,335,443
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$4,745)	(\$38,785)	(\$42,065)
<u>Fund Balance Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$ 2,767,208	\$ 2,849,314	
Cash with Trustee	906,016	842,762	
Cash with Trustee Res for Debt Service	(153,938)	(133,021)	
Matured Principal Payable	(1,255,000)	(1,300,000)	
Interest Payable	(842,976)	(842,762)	
Total Beginning Fund Balance	<u>\$ 1,421,310</u>	<u>\$ 1,416,293</u>	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$3,200	\$1,536	(\$1,664)	(52.00%)
Subtotal Use of Money	\$3,200	\$1,536	(\$1,664)	(52.00%)
<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	\$33,200	\$31,536	(\$1,664)	(5.01%)
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>	\$8,800	\$10,464	\$1,664	18.91%

FY 2022-23 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	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$1,536</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 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$317,805	\$320,269	323,469
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	2,369	33,200	31,536
Expenditures - (Decrease) retained earnings	(11,959)	(42,000)	(42,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(9,590)	(8,800)	(10,464)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	95	-	-
Depreciation	11,959	12,000	12,000
Net Adjustment - Increase/(Decrease) to Retained Earnings	12,054	12,000	12,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$320,269	\$323,469	\$325,005
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$2,464	\$3,200	\$1,536
<u>Fund Balance Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$317,805	\$320,269	
Accounts Receivable-AR Module	-	-	
Total Beginning Fund Balance	\$317,805	\$320,269	

FY 2022-23 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 21-22 Adopted	FY 22-23 Requested	Percent Change	FY 21-22 Adopted	FY 22-23 Requested	Percent Change
Operations	\$4,961,428	\$5,616,740	13.21%	\$562,933	\$1,177,000	109.08%
Revenue Bonds	\$39,043	\$34,590	(11.41%)	(\$177,885)	(\$182,239)	2.45%
Construction	\$700,000	\$700,000	0.00%	(\$799,900)	(\$856,460)	(7.07%)
TOTAL:	\$5,700,471	\$6,351,330	11.42%	(\$414,852)	\$138,301	(133.34%)

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	4,308	4,364	4,363	4,364	0.00%
TOTAL APNs	2,126	2,130	2,135	2,135	0.23%

E. Summary of Issues and Significant Changes

The requested rate per equivalent single family dwelling (ESD) for FY 22-23 annual service charges is \$1,112, representing a 3.5% increase from FY 21-22. 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 2022-23 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 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$4,247,315	\$4,286,500	\$39,185	0.92%
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	\$4,293,315	\$4,332,500	\$39,185	0.91%
<u>INTERGOVERNMENTAL</u>				
42461 Federal Other Funding	\$0	\$15,000	\$15,000	N/A
Subtotal Intergovernmental	\$0	\$15,000	\$15,000	N/A
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$30,000	\$14,400	(\$15,600)	(52.00%)
Subtotal Use of Money	\$30,000	\$14,400	(\$15,600)	(52.00%)
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$75,180	\$77,840	\$2,660	3.54%
Subtotal Charges for Services	\$75,180	\$77,840	\$2,660	3.54%
TOTAL REVENUES	\$4,398,495	\$4,439,740	\$41,245	0.94%

EXPENDITURES:

SERVICES AND SUPPLIES

51201 Administration Costs	\$36,300	\$38,000	\$1,700	4.68%
51205 Advertising/Marketing Svc	0	700	700	N/A
51206 Accounting/Auditing Services	10,800	11,000	200	1.85%
51211 Legal Services	4,000	5,200	1,200	30.00%
51241 Outside Printing & Binding	2,000	2,000	0	0.00%
51244 Permits/License/Fees	2,500	3,000	500	20.00%
51502 Sewer Capacity Charges	1,823,000	1,968,000	145,000	7.95%
51803 Other Contract Services	768,500	1,215,763	447,263	58.20%
51916 County Services	1,700	2,000	300	17.65%
51917 District Operations Chgs	87,175	85,000	(2,175)	-2.49%
51921 Equipment Usage Charges	525	400	(125)	(23.81%)
Subtotal Services and Supplies	\$2,736,500	\$3,331,063	\$594,563	21.73%

OTHER CHARGES

53402 Depreciation Expense	\$555,000	\$555,000	\$0	0.00%
Subtotal Other Charges	\$555,000	\$555,000	\$0	0.00%

OTHER FINANCING USES

57011 Transfers out-within a Fund	\$1,664,928	\$1,715,677	\$50,749	3.05%
Subtotal Other Financing Uses	\$1,664,928	\$1,715,677	\$50,749	3.05%

FY 2022-23 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	\$15,000	\$10,000	200.00%
<i>Subtotal Fixed Assets</i>	\$5,000	\$15,000	\$10,000	200.00%

TOTAL EXPENDITURES	\$4,961,428	\$5,616,740	\$655,312	13.21%
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$562,933	\$1,177,000	\$614,067	109.08%
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FY 2022-23 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 21-22 budget. The rate will increase 3.5%, from \$1,074 to \$1,112.

ESDs times annual rate:	4,294 x \$1,112	\$4,774,900
Less Estimated Delinquency Factor:	9.3%	(442,400)
		<u>\$4,332,500</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.: 43401-33090100-42

42461 Federal Other Funding

This records an anticipated reimbursement of a Local Hazard Mitigation Plan grant.

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	0.48%
Projected/Planned Interest on Pooled Cash	<u>\$14,400</u>

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 22-23 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 \$1,074 to \$1,112.

ESDs x Annual Charge	70 x \$1,112	=	\$77,840
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FY 2022-23 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.

51205 Advertising/Marketing Services

This account represents the cost of advertising and marketing services provided by an outside agency.

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 reflects the cost for various outside services which include:

FY 22-23 Planned Contract Services:

City of Santa Rosa - Annual Collection System Maintenance	\$850,000
TPW Construction-related Services	40,000
Agreement (Document Transfer of Control)	250,000
Multi-Year Agreements (audit)	10,763
Local Hazard Mitigation Plan	40,000
Miscellaneous non-routine work	25,000
	<hr/>
	\$1,215,763

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 2022-23 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: 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 \$215,677. The amount to be transferred is determined from the debt service schedule for the bonds. In addition, \$1,500,000 will be transferred to the Construction Fund for planned capital projects.

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

19851 Intangible Assets - Non-amort

This account records sewer easement dedications.

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$6,693,025	\$3,338,648	\$3,270,715
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	4,332,446	\$4,398,495	\$4,439,740
Expenditures - (Decrease) retained earnings	(8,286,859)	(\$5,021,428)	(\$5,616,740)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(3,954,412)	(622,933)	(1,177,000)
Adjustments to Reserves/Encumbrances:			
Depreciation Expense	544,730	555,000	555,000
Unrealized Gain/loss	990	-	-
Pollution Remediation Obligation	54,414		
Post Audit Adjustment	-		
Change In Encumbrances	(100)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	600,034	555,000	555,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$3,338,647	\$3,270,715	\$2,648,715
Target Fund Balance	\$1,259,444	\$1,398,929	\$1,665,532
<i>Over/(Under) Target Fund Balance</i>	<i>\$2,079,203</i>	<i>\$1,871,787</i>	<i>\$983,184</i>
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$3,354,378)	(\$67,933)	(\$622,000)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$6,552,113	\$3,368,452	
Accounts Receivable - AR Module	\$34,728	\$36,224	
Other Receivables	120,412	128,482	
Vouchers Payable	(628)	(193,760)	
Accounts Payable	-	(650)	
Contract Retention Payable	-	-	
Advances Payable	(13,600)	-	
Encumbrances	-	(100)	
Total Beginning Retained Earnings	\$6,693,025	\$3,338,648	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2021-22	Requested 2022-23	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$40,000	\$46,560	\$6,560	16.40%
Subtotal Use of Money	\$40,000	\$46,560	\$6,560	16.40%
<u>MISCELLANEOUS REVENUE</u>				
46024 Connection Fees	\$9,900	\$9,900	\$0	0.00%
Subtotal Miscellaneous Revenue	\$9,900	\$9,900	\$0	0.00%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$1,450,000	\$1,500,000	\$50,000	3.45%
Subtotal Other Financing Sources	\$1,450,000	\$1,500,000	\$50,000	3.45%
TOTAL REVENUES	\$1,499,900	\$1,556,460	\$56,560	3.77%
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$700,000	\$700,000	\$0	0.00%
Subtotal Fixed Assets	\$700,000	\$700,000	\$0	0.00%
TOTAL EXPENDITURES	\$700,000	\$700,000	\$0	0.00%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$799,900)	(\$856,460)	(\$56,560)	(7.07%)

FY 2022-23 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	\$9,700,000
Projected Interest Rate	<u>0.48%</u>
Projected/Planned Interest on Pooled Cash	\$46,560

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.

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 22-23 is \$1,500,000.

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

19832 CIP-Infrastructure

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

<u>Planned Projects for FY 22-23:</u>	<u>Project No.</u>	<u>Amount</u>
Santa Rosa Ave Sewers -Todd to E. Robles	tbd	\$600,000

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$2,673,893	\$7,818,378	\$8,255,618
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,142,153	1,512,240	1,556,460
Expenditures - (Decrease) retained earnings	0	(1,075,000)	(700,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	5,142,153	437,240	856,460
Adjustments to Reserves/Encumbrances:			
Change in Encumbrance	-	-	-
Unrealized Gain/loss	2,332	-	-
Post Audit Adjustment	-	-	-
Net Adjustment - Inc/(Dec) to Retained Earnings	2,332	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$7,818,378	\$8,255,618	\$9,112,078
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$5,144,485	\$437,240	\$856,460
<u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$2,660,293	\$7,818,378	
Accounts Payable	-	-	
Due from Other Funds	13,600	-	
Retention Payable	-	-	
Encumbrance	-	-	
Total Beginning Retained Earnings	\$2,673,893	\$7,818,378	

FY 2022-23 BUDGET SUMMARY OF REVENUES AND EXPENDITURES

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

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	\$1,152	(\$848)	(42.40%)
Subtotal Use of Money	\$2,000	\$1,152	(\$848)	(42.40%)
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers In -within a Fund	\$214,928	\$215,677	\$749	0.35%
Subtotal Other Financing Sources	\$214,928	\$215,677	\$749	0.35%
TOTAL REVENUES	\$216,928	\$216,829	(\$99)	(0.05%)
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	\$25,926	\$21,473	(\$4,453)	(17.18%)
53104 Other Interest Expense	12,617	12,617	\$0	0.00%
Subtotal Other Charges	\$38,543	\$34,090	(\$4,453)	(11.55%)
<u>ADMIN CONTROL</u>				
59004 Admin Control Acct	\$188,502	\$193,704	\$5,202	2.76%
59005 Admin Control Acct-Clearing	(188,502)	(193,704)	(5,202)	2.76%
Subtotal Admin Control	\$0	\$0	\$0	N/A
TOTAL EXPENSES	\$39,043	\$34,590	(\$4,453)	(11.41%)
TOTAL NET COST <i>(Expenses Minus Revenues)</i>	(\$177,885)	(\$182,239)	(\$4,354)	2.45%

FY 2022-23 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	\$240,000
Projected Interest Rate	0.48%
Projected/Planned Interest on Pooled Cash	\$1,152

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 21-22 Principal Payments:	(2,361,210)
FY 22-23 Principal Payment:	(193,704)
Outstanding Loan Amount	\$695,086

59005 Admin Control Acct-Clearing

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

FY 2022-23 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 20-21	Estimated FY 21-22	Requested FY 22-23
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$243,926	\$242,078	\$238,876
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	216,042	216,928	216,829
Expenditures - (Decrease) retained earnings	(42,137)	(39,043)	(34,590)
	173,906	177,885	182,239
Net Surplus or Deficit - Inc/(Dec) to retained earnings			
Adjustments to Reserves/Encumbrances:			
Revenue Bonds Pay	-	-	-
Amortization of Bond Refunding	12,617	12,617	12,617
Capitalized Interest	-	-	-
Unrealized Gain/loss	130	-	-
Admin Control Acct (59004)	(188,501)	(193,704)	(198,524)
	(175,754)	(181,087)	(185,907)
Net Adjustment - Inc/(Dec) to Retained Earnings			
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$242,078	\$238,876	\$235,208
 Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	 (\$1,849)	 (\$3,202)	 (\$3,668)
 <u>Retained Earnings Components at Beginning of FY</u>	7/1/2020	7/1/2021	
Cash	\$434,856	\$437,531	
Cash Restricted for Debt Services	-	-	
Cash with Fiscal Agent	-	-	
Interest Payable	(8,006)	(6,952)	
Matured Bonds Payable	(182,924)	(188,501)	
	\$243,926	\$242,078	
Total Beginning Retained Earnings			