

FY 2023-24 BUDGET

BUDGET SECTION SUMMARY

Section Title: SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP

A. Program Description

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

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 22-23 Adopted	FY 23-24 Requested	Percent Change	FY 22-23 Adopted	FY 23-24 Requested	Percent Change
Operations	\$7,092,888	\$6,367,964	(10.22%)	\$1,302,568	\$1,333,856	2.40%
Bonds	63,600	54,874	(13.72%)	(372,948)	(427,090)	14.52%
Construction	234,620	96,000	(59.08%)	(124,877)	(262,025)	109.83%
TOTAL:	\$7,391,108	\$6,518,838	(11.80%)	\$804,743	\$644,741	(19.88%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 21-22 Actual	FY 22-23 Budget Estimate	FY 22-23 Revised Estimate	FY 23-24 Projected	Change from FY 22-23 Budget Estimate
Total ESDs	4,027	4,046	4,070	4,157	2.74%
Total APNs	2,075	2,075	2,110	2,126	2.46%

E. Summary of Issues and Significant Changes

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

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

The requested rate per ESD for FY 23-24 annual service charges is \$1,246, representing a 8.5% increase from FY 22-23. Rate increases in excess of the inflation will be needed to balance operational revenue and costs over the next several years.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures

FY 2023-24 BUDGET
BUDGET SECTION SUMMARY

Section Title:

SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP

- Character Justification
- Statement of Special Fund Activity

FY 2023-24 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Fund/Department ID: 44705-33100100

Account No. and Title	Adopted 2022-23	Requested 2023-24	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 Direct Charges-CY	\$4,144,100	\$4,214,308	\$70,208	1.69%
40202 Direct Charges - PY	25,000	25,000	0	0.00%
40999 Penalties/Costs on Taxes	4,500	4,500	0	0.00%
Subtotal Taxes	\$4,173,600	\$4,243,808	\$70,208	1.68%
<u>INTERGOVERNMENTAL REVENUE</u>				
42461 Federal Funding	\$30,000	\$0	(\$30,000)	(100.00%)
Subtotal Intergovernmental Revenue	\$30,000	\$0	(\$30,000)	(100.00%)
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$6,720	\$35,000	\$28,280	420.83%
44101 Rent - Real Estate	160,000	183,600	23,600	14.75%
Subtotal Use of Money	\$166,720	\$218,600	\$51,880	31.12%
<u>CHARGES FOR SERVICES</u>				
45221 Sewer/Water Usage Fee	\$582,000	\$421,700	(\$160,300)	(27.54%)
Subtotal Charges for Services	\$582,000	\$421,700	(\$160,300)	(27.54%)
<u>OTHER FINANCING SOURCES</u>				
47101 Trans in - Within a Fund	\$838,000	\$150,000	(\$688,000)	(82.10%)
Subtotal Other Financing Sources	\$838,000	\$150,000	(\$688,000)	(82.10%)
TOTAL REVENUES	\$5,790,320	\$5,034,108	(\$756,212)	(13.06%)

EXPENDITURES:

SERVICES AND SUPPLIES

51061 Maintenance - Equipment	\$180,000	\$117,000	(\$63,000)	(35.00%)
51201 Administration Services	33,000	36,000	3,000	9.09%
51205 Advertising/Marketing Svc		500	500	N/A
51209 Info Tech Services (non ISD)	0	2,800	2,800	N/A
51211 Legal Services	21,000	30,000	9,000	42.86%
51231 Testing/Analysis	135,000	110,000	(25,000)	(18.52%)
51241 Outside Printing & Binding	2,500	1,000	(1,500)	(60.00%)
51244 Permits/License/Fees	60,000	62,000	2,000	3.33%
51401 Rents & Leases-Equipment	25,000	15,000	(10,000)	(40.00%)
51421 Rents & Leases-Bldgs/Land	10,000	9,100	(900)	(9.00%)
51601 Training/Conference Expenses	0	500	500	N/A
51605 Private Car Expense		50	50	N/A
51803 Other Contract Services	1,083,300	767,000	(316,300)	(29.20%)
51902 Telecommunications Usage	4,600	4,000	(600)	(13.04%)

FY 2023-24 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Fund/Department ID: 44705-33100100

51916	County Services Chgs	0	10,000	10,000	N/A
51917	District Operations Charges	3,011,000	2,745,000	(266,000)	(8.83%)
51921	Equipment Usage Charges	150,000	140,000	(10,000)	(6.67%)
52061	Fuel/Gas/Oil	625	1,000	375	60.00%

Account No. and Title	Adopted 2022-23	Requested 2023-24	Difference	Percent Change	
<u>SERVICES AND SUPPLIES (cont'd)</u>					
52071	Materials and Supplies Expense	1,400	3,400	2,000	142.86%
52072	Chemicals	200,000	235,000	35,000	17.50%
52081	Medical/Laboratory Supplies	10,000	7,000	(3,000)	(30.00%)
52091	Memberships/Certifications	0	100	100	N/A
52111	Office Supplies	2,175	1,500	(675)	(31.03%)
52117	Mail and Postage Supplies	0	50	50	N/A
52141	Minor Equipment/Small Tools	23,000	20,800	(2,200)	(9.57%)
52142	Computer Equip/Accessories	0	1,000	1,000	N/A
52143	Software/Licensing Fees	500	700	200	40.00%
52171	Water Conservation Program	17,200	5,000	(12,200)	(70.93%)
52191	Utilities	0	9,000	9,000	N/A
52193	Utilities-Power	362,000	361,000	(1,000)	(0.28%)
Subtotal Services and Supplies		\$5,332,300	\$4,695,500	(\$636,800)	(11.94%)
<u>OTHER CHARGES</u>					
53401	Amortization Expense	\$16,000	\$16,000	\$0	0.00%
53402	Depreciation Expense	1,144,000	1,117,000	-27,000	(2.36%)
53501	Contributions		77,500	77,500	N/A
Subtotal Other Charges		\$1,160,000	\$1,210,500	\$50,500	4.35%
<u>OTHER FINANCING USES</u>					
57011	Transfers out-within a Fund	\$585,588	\$431,964	(\$153,624)	(26.23%)
Subtotal Other Financing Uses		\$585,588	\$431,964	(\$153,624)	(26.23%)
<u>FIXED ASSETS</u>					
19820	Machinery & Equipment	\$0	\$0	\$0	N/A
19841	Work in Progress - Intang	15,000	30,000	15,000	100.00%
Subtotal Fixed Assets		\$15,000	\$30,000	\$15,000	100.00%
TOTAL EXPENDITURES		\$7,092,888	\$6,367,964	(\$724,924)	(10.22%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>		\$1,302,568	\$1,333,856	\$31,288	2.40%

FY 2023-24 BUDGET

CHARACTER JUSTIFICATION

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

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

40003 Direct Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 22-23 budget. The rate will increase approximately 8.5%, from \$1,148 to \$1,246.

ESDs times annual rate:	3,711 x \$1,246	\$4,623,906
Less Estimated Delinquency Factor:	8.2%	(380,090)
		\$4,243,808

(See Account 45221 for Total ESDs)

40202 Direct Charges - PY

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

40999 Penalties/Costs on Taxes

This account records penalties paid on delinquent sewer service charges.

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$1,400,000
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	\$35,000

44101 Rent-Real Estate

This represent the payment of rent of property per the Memorandum of Agreement for the photovoltaic facility (\$56,300) and the relocated service center (\$127,300).

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

45221 Sewer/Water Usage Fee

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through account 40003, Direct Charges-CY. In the following year based on projected FY 23-24 ESDs, the Zone will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$1,148 to \$1,246.

ESDs x Annual Charge	202 x \$1,246	=	\$251,700
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This account also records revenue associated with the Industrial Users Monitoring program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant.

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

47101 OT - W/in Special Dist - BOS

This account records a transfer from SCWA General Fund to provide funds to operate the treatment plant.

FY 2023-24 BUDGET
CHARACTER JUSTIFICATION

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

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

51061 Maintenance - Equipment

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

FY 23-24 Planned Maintenance-Equipment:

Pall Stainless Piping Replacement	\$ 50,000
Recycled Main Air/Blowoff R/R	30,000
Self-Contained Breathing Apparatus & B-Kits	24,000
As-needed routine maintenance	13,000
	\$ 117,000

51201 Administration Costs

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

51205 Advertising/Marketing Svc

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

51211 Legal Services

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

51231 Testing/Analysis

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

51241 Outside Printing & Binding

This account represents the cost of outside printing services.

51244 Permits/License/Fees

This account records the cost of all permits.

51401 Rents/Leases-Equipment

This account represents funds for rents and leases of equipment.

51421 Rents/Leases-Buildings/Land

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

51601 Training/Conference Exp

This account records the cost of outside training or conferences for staff.

51803 Other Contract Services

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

FY 23-24 Planned Contract Services:

Local Hazard Mitigation Plan	\$ -
Pavement Preservation	45,000
Planning & As-needed Contracts	45,000
Substation & Transformer Painting	45,000
Recycled Water Distribution Study	200,000
Sludge Removal	412,000
BPOs	20,000
	\$ 767,000

FY 2023-24 BUDGET
CHARACTER JUSTIFICATION

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

51902 Telecommunication Usage

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

51916 County Services

This account records the expense for special district accounting services.

51917 District Operations Charges

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

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

51921 Equipment Usage Charges

This account represents funds for equipment usage.

52061 Fuel/Gas/Oil

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

52071 Materials and Supplies Expense

This account includes the costs of materials and supplies for the District.

52072 Chemicals

This account records the cost of chemicals required for operation of the treatment plant.

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.

52141 Minor Equipment/Small Tools

This account represents funds for the purchase of office furniture, small tools, instruments and equipment that are individually under \$5,000.

52143 Software/Licensing Fees

This account provides funds for various software packages.

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 payments made for utilities such as gas and electricity.

Character Title: Other Charges **Character No.:** 44705-33100100-53

FY 2023-24 BUDGET
CHARACTER JUSTIFICATION

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

53402 Depreciation

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

53501 Contributions

This account records SCADA allocations FY23-24.

Character Title: Other Financing Uses **Character No.:** 44705-33100100-57

57011 Transfers out-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Bond Fund to cover principal and interest payments.

Character Title: Fixed Assets **Character No.:** 44705-33100100-19

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 2023-24 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 21-22	Estimated FY 22-23	Requested FY 23-24
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$1,138,303	\$2,134,079	\$1,591,511
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	5,154,296	\$5,790,320	5,034,108
Expenditures - (Decrease) fund balance	(5,210,856)	(\$7,492,888)	(6,367,964)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(56,560)	(1,702,568)	(1,333,856)
Adjustments to Reserves/Encumbrances:			
53402 - Depreciation Expense	1,054,302	1,144,000	1,117,000
Change in Encumbrance	(66,208)	-	-
Unrealized Gain/Loss	58,290	-	-
Amortization	5,952	16,000	16,000
Change in prepaid exp	-	-	-
Post Audit Adjustment	1	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	1,052,336	1,160,000	1,133,000
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$2,134,079	\$1,591,511	\$1,390,655
Target Fund Balance	\$1,839,393	\$2,881,776	\$2,347,750
<i>Over/(Under) Target Fund Balance</i>	\$294,686	(\$1,290,265)	(\$957,095)
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$995,776	(\$542,568)	(\$200,856)
<u>Fund Balance Components at Beginning of FY</u>			
Equity in Pooled Cash	7/1/2021	7/1/2022	
Other Receivables	1,503,649	2,235,985	
Accounts Payable	24,982	18,084	
Accounts Receivable-AR Module	(89,571)	(51,858)	
Allowance for Uncollectible Accounts	(46,042)	(46,042)	
AR Maint/Trnsf Control	92,051	195,379	
Retention Receivable	258	-	
Deposits from Others	(188,832)	(200)	
Due to Federal	-	(25,202)	
Accounts Payable	(2,732)	-	
Unearned Revenue	(32,604)	(3,003)	
Other Current Liabilities	-	-	
Encumbrances	(122,856)	(189,064)	
Total Beginning Fund Balance	1,138,303	2,134,079	

FY 2023-24 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2022-23	Requested 2023-24	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$4,800	\$25,000	\$20,200	420.83%
44003 Other Interest Earnings	30,000	29,000	(1,000)	(3.33%)
Subtotal Use of Money	\$34,800	\$54,000	\$19,200	55.17%
<u>MISCELLANEOUS REVENUE</u>				
46024 Connection Fees	\$174,457	\$303,400	\$128,943	73.91%
Subtotal Miscellaneous Revenue	\$174,457	\$303,400	\$128,943	73.91%
<u>OTHER FINANCING SOURCES</u>				
47101 Trans in - within a Fund	\$150,000	\$0	(\$150,000)	(100.00%)
Subtotal Other Financing Sources	\$150,000	\$0	(\$150,000)	(100.00%)
<u>ADMINISTRATIVE CONTROL</u>				
49002 Advances	\$0	\$72,000	\$72,000	N/A
49003 Advances Clearing	0	(72,000)	(72,000)	N/A
Subtotal Administrative Control	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$359,257	\$357,400	(\$1,857)	(0.52%)
EXPENDITURES:				
<u>FIXED ASSETS</u>				
19832 CIP - Infrastructure	\$188,620	\$50,000	(\$138,620)	(73.49%)
Subtotal Fixed Assets	\$188,620	\$50,000	(\$138,620)	(73.49%)
TOTAL EXPENDITURES	\$188,620	\$50,000	(\$138,620)	(73.49%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$170,637)	(\$307,400)	(\$136,763)	80.15%

**FY 2023-24 BUDGET
CHARACTER JUSTIFICATION**

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	\$25,000

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

46026 Connection Fees

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

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

47101 Transfers in-within a Fund

This account reflects the transfer of cash from the Operations Fund to the Construction Fund to finance the capital projects. There is no transfer planned for FY 23-24.

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

49002 Advances

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

49003 Advances - Clearing

This is the clearing account for account 49002.

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

19832 CIP - Infrastructure

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

FY 23-24 Planned projects:

TP Control Improvements-pall Repair/Upgrade/Optimize	A0082	50,000
		\$50,000

FY 2023-24 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 21-22	Estimated FY 22-23	Requested FY 23-24
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$1,881,234	\$2,080,166	\$2,247,170
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	495,713	359,257	357,400
Expenditures - (Decrease) fund balance	(498,888)	(306,132)	(50,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(3,176)	53,125	307,400
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	73,606	-	-
Donated Assets	-	-	-
Change in Encumbrance	57,077	-	-
Post Audit Adjustment	(41,744)	-	-
Accrual of Connection Fees Receivable - Larkfield Estates	113,168	113,879	68,332
Larkfield Estates - Connection Fees Receivable	-	-	-
Advances - Principal Received	-	-	-
Non-current accounts receivable	1	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	202,108	113,879	68,332
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$2,080,166	\$2,247,170	\$2,622,902
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$198,932	\$167,004	\$375,732
<u>Fund Balance Components at Beginning of FY</u>	7/1/2021	7/1/2022	
Cash	\$2,284,692	\$2,435,622	
Accounts Receivable-AR Module	584,204	584,204	
Vouchers Payable	(33,996)	(19,724)	
Accounts Payable	(18,600)	(41,744)	
Retention Payable	(7,300)	(7,300)	
Allowance for Uncollectable Accounts	(584,204)	(584,204)	
Connection Fees Receivable - Larkfield Estates	70,775	69,102	
Due to State	(1,470)	-	
Encumbrances	(412,867)	(355,790)	
Total Beginning Fund Balance	\$1,881,234	\$2,080,166	

FY 2023-24 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2022-23	Requested 2023-24	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$960	\$50,000	\$49,040	5108.33%
Subtotal Use of Money	\$960	\$50,000	\$49,040	5108.33%
<u>OTHER FINANCING SOURCES</u>				
47101 Transfers in - Within a Fund	\$435,588	\$431,964	(\$3,624)	(0.83%)
Subtotal Other Financing Sources	\$435,588	\$431,964	(\$3,624)	(0.83%)
TOTAL REVENUES	\$436,548	\$481,964	\$45,416	10.40%
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51242 Bank Charges	\$500	\$500	\$0	0.00%
Subtotal Services and Supplies	\$500	\$500	\$0	0.00%
<u>OTHER CHARGES</u>				
53103 Interest on LT Debt	\$40,974	\$32,248	(\$8,726)	(21.30%)
53104 Other Interest Exp	22,126	22,126	\$0	0.00%
Subtotal Other Charges	\$63,100	\$54,374	(\$8,726)	(13.83%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 Admin Control Acct	\$371,988	\$377,090	\$5,102	1.37%
59005 Admin Control Acct-Clearing	(371,988)	(377,090)	(5,102)	1.37%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$63,600	\$54,874	(\$8,726)	(13.72%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$372,948)	(\$427,090)	(\$54,142)	14.52%

**FY 2023-24 BUDGET
CHARACTER JUSTIFICATION**

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$2,000,000
Projected Interest Rate	<u>2.50%</u>
Projected/Planned Interest on Pooled Cash	\$50,000

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

47101 Transfers in-within a Fund

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

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

51242 Bank Charges

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

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

53103 Interest on Long-Term Debt

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

53104 Other Interest Expense

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

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

57011 Transfers out-within a Fund

This account reflects amounts transferred to the Construction Fund for expenses incurred for projects eligible for funding from the proceeds of the 2017 Revenue Bond. No transfer is budgeted for FY 23-24.

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

59004 Admin Control Account

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

The following reflects the bond principal payment history to date:

Original Amount of the Revenue Bond Issue:	\$6,220,000
Total FY 06-07 through FY 22-23 Principal Payments:	(4,647,455)
Total FY 23-24 Principal Payments:	<u>(377,090)</u>
Outstanding Bond Amount	\$1,195,455

59005 Admin Control Account - Clearing

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

FY 2023-24 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 21-22	Estimated FY 22-23	Requested FY 23-24
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$232,277	\$248,217	\$244,075
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	414,076	436,548	481,964
Expenditures - (Decrease) fund balance	(69,947)	(63,600)	(54,874)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	344,129	372,948	427,090
Adjustments to Reserves/Encumbrances:			
Loss on Refunding of Debt	22,126	-	-
Capitalized Interest	-	-	-
Unrealized Gain/Loss	21,671	-	-
Change in Matured Bonds Payable	-	-	-
Principal Expenditure	(371,987)	(377,090)	(377,090)
Net Adjustment - Increase/(Decrease) to Fund Balance	(328,190)	(377,090)	(377,090)
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$248,217	\$244,075	\$294,075
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$15,940	(\$4,142)	\$50,000
<u>Fund Balance Components at Beginning of FY</u>	7/1/2021	7/1/2022	
Cash	\$606,904	\$631,531	
Cash with Fiscal Agent	-	-	
Matured Bonds Payable	(361,196)	(371,987)	
Interest Payable	(13,431)	(11,327)	
Total Beginning Fund Balance	\$232,277	\$248,217	

FY 2023-24 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2022-23	Requested 2023-24	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$48	\$7,500	\$7,452	15525.00%
Subtotal Use of Money	\$48	\$7,500	\$7,452	15525.00%
<u>OTHER FINANCING SOURCES</u>				
47102 Transfers in - btw Govtl Funds	\$838,000	\$150,000	(\$688,000)	(82.10%)
Subtotal Other Financing Sources	\$838,000	\$150,000	(\$688,000)	(82.10%)
TOTAL REVENUES	\$838,048	\$157,500	(\$680,548)	(81.21%)
EXPENDITURES:				
<u>OTHER FINANCING USES</u>				
57011 Transfers out - within a Fund	\$838,000	\$150,000	(\$688,000)	(82.10%)
Subtotal Other Financing Uses	\$838,000	\$150,000	(\$688,000)	(82.10%)
TOTAL EXPENDITURES	\$838,000	\$150,000	(\$688,000)	(82.10%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$48)	(\$7,500)	(\$7,452)	15525.00%

**FY 2023-24 BUDGET
CHARACTER JUSTIFICATION**

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$300,000
Projected Interest Rate	<u>2.50%</u>
Projected/Planned Interest on Pooled Cash	\$7,500

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

47102 Transfers in - btw Govtl Funds

This account records the transfer of available funds from the General Fund to the ALW Rate Stabilization Fund to assist in funding the ALW Operations Fund, on an as-needed basis in order to comply with the debt financing covenants. There is a budgeted transfer planned for FY 23-24 in the amount of \$150,000.

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

57011 Transfers out-within a Fund

This account reflects amounts transferred from the ALLW Rate Stabilization Fund to the ALW Operations Fund in order to comply with the debt financing covenants. There is a budgeted transfer planned for FY 23-24 in the amount of \$150,000.

FY 2023-24 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 21-22	Estimated FY 22-23	Requested FY 23-24
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$151,628	\$507,497	\$507,545
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	925,638	838,048	157,500
Expenditures - (Decrease) fund balance	(575,000)	(838,000)	(150,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	<u>350,637</u>	<u>48</u>	<u>7,500</u>
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	5,231	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	<u>5,231</u>	<u>-</u>	<u>-</u>
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$507,497	\$507,545	\$515,045
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$355,869	\$48	\$7,500
<u>Fund Balance Components at Beginning of FY</u>	7/1/2021	7/1/2022	
Equity in Pooled Cash	\$151,628	\$507,497	
Total Beginning Fund Balance	<u>\$151,628</u>	<u>\$507,497</u>	

FY 2023-24 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Account No. and Title	Adopted 2022-23	Requested 2023-24	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 Interest on Pooled Cash	\$240	\$625	\$385	160.42%
<i>Subtotal Use of Money</i>	<u>\$240</u>	<u>\$625</u>	<u>\$385</u>	<u>160.42%</u>
TOTAL REVENUES	\$240	\$625	\$385	160.42%
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
51201 Administration Services	\$1,000	\$1,000	\$0	0.00%
<i>Subtotal Services and Supplies</i>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>OTHER CHARGES</u>				
53103 Interest on Long-Term Debt	\$45,000	\$45,000	\$0	0.00%
<i>Subtotal Other Charges</i>	<u>\$45,000</u>	<u>\$45,000</u>	<u>\$0</u>	<u>0.00%</u>
<u>ADMINISTRATIVE CONTROL</u>				
59002 Advances	\$60,000	\$0	(\$60,000)	(100.00%)
59003 Advances Clearing	(60,000)	0	60,000	(100.00%)
<i>Subtotal Administrative Control</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL EXPENDITURES	\$46,000	\$46,000	\$0	0.00%
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$45,760	\$45,375	(\$385)	(0.84%)

FY 2023-24 BUDGET CHARACTER JUSTIFICATION

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

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

44002 Interest on Pooled Cash

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

Estimated Average Cash Balance	\$25,000
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	\$625

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

51201 Administration Costs

This account represents administration fee assessed by the County.

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

53103 Interest on Long-Term Debt

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

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

59002 Advances

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

59003 Advances - Clearing

This is the clearing account for account 59002.

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

19832 CIP - Infrastructure

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

Larkfield Estates Sewer Main Project completed in FY20-21, no planned work in FY23-24.

FY 2023-24 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

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

DESCRIPTION OF FUND ACTIVITY	Actual FY 21-22	Estimated FY 22-23	Requested FY 23-24
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$218,140	\$160,739	\$54,979
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	(8,832)	240	625
Expenditures - (Decrease) fund balance	(33,817)	(46,000)	(46,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(42,649)	(45,760)	(45,375)
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/Loss	10,298	-	-
Change in Encumbrances	(1)	-	-
Construction Loan Payoff	124,950	-	-
Principal Received - Advances from Other Funds	-	-	-
Principal on loan payment to Facilities Fund	(150,000)	(60,000)	-
Net Adjustment - Increase/(Decrease) to Fund Balance	(14,753)	(60,000)	-
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$160,739	\$54,979	\$9,604
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$57,401)	(\$105,760)	(\$45,375)
<u>Fund Balance Components at Beginning of FY</u>	7/1/2021	7/1/2022	
Equity in Pooled Cash	\$176,490	\$119,089	
Accounts Receivable-AR Module	\$41,650	\$41,650	
Vouchers Payable	\$0	\$0	
Accounts Payable	\$0	\$0	
Retention Payable	\$0	\$0	
Encumbrances	\$0	\$0	
Total Beginning Fund Balance	\$218,140	\$160,739	

