

## FY 2015-16 BUDGET BUDGET SECTION SUMMARY

Section Title:

<b>SONOMA VALLEY COUNTY SANITATION DISTRICT</b>
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### 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. The Sonoma Developmental Center is outside the District, but is under an agreement with the District.

### B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change
Operations	\$18,823,987	\$19,214,100	2.07%	\$3,604,953	\$4,611,891	27.93%
Construction	10,273,630	7,270,000	(29.24%)	5,822,950	4,918,000	(15.54%)
Glen Ellen Bonds	1,703	903	(46.98%)	(16,415)	(17,217)	4.88%
Revenue Bonds	666,995	632,372	(5.19%)	(1,034,182)	(1,043,001)	0.85%
SRF Loan Reserve	0	0	N/A	(36,184)	(36,284)	0.28%
State Loan Reserve	0	0	N/A	(900)	(845)	(6.11%)
SRF Loan	120,798	113,369	(6.15%)	(325,474)	(333,180)	2.37%
Rev Bond Project	0	0	N/A	0	(6,500)	N/A
Wet Weather Mitig	0	0	N/A	0	0	N/A
<b>TOTAL:</b>	<b>\$29,887,113</b>	<b>\$27,230,744</b>	<b>(8.89%)</b>	<b>\$8,014,748</b>	<b>\$8,092,865</b>	<b>0.97%</b>

### C. Staffing Summary

No staffing is allocated to this index.

### D. Workload Summary

Workload Indicator	FY 13-14 Actual	FY 14-15 Budget Estimate	FY 14-15 Revised Estimate	FY 15-16 Projected	Change from FY 14-15 Budget Estimate
TOTAL ESDs	17,329	17,329	17,329	17,329	0.00%
TOTAL APNs	11,497	11,497	11,496	11,496	(0.01%)

### 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 Sonoma Valley CSD will continue to increase rates over and above the rate of inflation to generate funds for replacing the collection system.

collection system.

FY 15-16 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 4.5% for FY 15-16.

**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 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

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

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>TAXES</u></b>				
40003 (1001) Direct Charges-CY	\$12,496,325	\$13,234,389	\$738,064	5.91%
40202 (1061) Direct Charges - PY	150,000	160,000	10,000	6.67%
40999 (1120) Penalties/Costs on Taxes	30,000	33,000	3,000	10.00%
<b>Subtotal Taxes</b>	<b>\$12,676,325</b>	<b>\$13,427,389</b>	<b>\$751,064</b>	<b>5.92%</b>
<b><u>USE OF MONEY</u></b>				
44002 (1700) Interest on Pooled Cash	\$6,600	\$11,700	\$5,100	77.27%
44003 (1701) Other Interest Earnings	109,029	88,980	(20,049)	(18.39%)
44101 (1801) Rent - Real Estate	11,000	11,000	0	0.00%
<b>Subtotal Use of Money</b>	<b>\$126,629</b>	<b>\$111,680</b>	<b>(\$14,949)</b>	<b>(11.81%)</b>
<b><u>CHARGES FOR SERVICES</u></b>				
45221 (3400&01&03&04) Sewer/Water Usage Fee	\$1,015,080	\$1,012,140	(\$2,940)	(0.29%)
45301 (3600) Charges for Services	36,000	36,000	0	0.00%
45316 (4099) Water Conservation	15,000	15,000	0	0.00%
<b>Subtotal Charges for Services</b>	<b>\$1,066,080</b>	<b>\$1,063,140</b>	<b>(\$2,940)</b>	<b>(0.28%)</b>
<b><u>MISCELLANEOUS REVENUE</u></b>				
46021 (4304) Capital Grants-Federal	\$130,000	\$0	(\$130,000)	(100.00%)
46022 (4303) Capital Grants-State	1,020,000	0	(1,020,000)	(100.00%)
<b>Subtotal Miscellaneous Revenue</b>	<b>\$1,150,000</b>	<b>\$0</b>	<b>(\$1,150,000)</b>	<b>(100.00%)</b>
<b><u>Other Financing Sources</u></b>				
47101 (4625) Transfers In-within a Fund	\$200,000	\$0	(\$200,000)	(100.00%)
<b>Subtotal Other Financing Sources</b>	<b>\$200,000</b>	<b>\$0</b>	<b>(\$200,000)</b>	<b>(100.00%)</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
49002 (4210) Advances	\$477,610	\$497,660	\$20,050	4.20%
49003 (4219) Advances Clearing	(477,610)	(497,660)	(20,050)	4.20%
<b>Subtotal Admin. Control Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL REVENUES</b>	<b>\$15,219,034</b>	<b>\$14,602,209</b>	<b>(\$616,825)</b>	<b>(4.05%)</b>

<b>Sub-Object No. and Title</b>	<b>Adopted 2014-15</b>	<b>Requested 2015-16</b>	<b>Difference</b>	<b>Percent Change</b>
<b><u>SERVICES AND SUPPLIES</u></b>				
51902 (6040) Telecommunication Usage	(\$85,000)	\$10,000	\$95,000	(111.76%)
51032 (6085) Janitorial Services	0	5,000	5,000	N/A
51061 (6140) Maintenance - Equipment	900,000	800,000	(100,000)	(11.11%)
51076 (6246) Maint - FACOPS	990,000	300,000	(690,000)	(69.70%)
52081 (6262) Medical/Laboratory Supplies	40,000	35,000	(5,000)	(12.50%)
52091 (6280) Memberships/Certifications	25,000	25,000	0	0.00%
52111 (6400&61) Office Supplies	21,000	15,000	(6,000)	(28.57%)
52117 (6410) Mail and Postage Supplies	2,000	4,000	2,000	100.00%
51241 (6430) Outside Printing & Binding	6,500	15,000	8,500	130.77%
51231 (6512) Testing/Analysis	150,000	150,000	0	0.00%
51209 (6516) Info Tech Svs (Non ISD)	15,000	10,000	(5,000)	(33.33%)
51916 (6521) County Services	75,000	75,000	0	0.00%
51917 (6523) District Operations Chgs	5,180,000	5,300,000	120,000	2.32%
51803 (6540) Other Contract Services	669,575	850,000	180,425	26.95%
51226 (6570) Consulting Services	320,425	751,250	430,825	134.45%
51201 (6573) Administration Costs	115,000	115,000	0	0.00%
51244 (6589) Permits/License/Fees	80,000	80,000	0	0.00%
51211 (6610) Legal Services	25,000	27,000	2,000	8.00%
51206 (6630) Accounting/Auditing Services	15,000	15,000	0	0.00%
51919 (6697) EFS Charges	9,213	99,262	90,049	977.41%
51401 (6820) Rents & Leases-Equipment	80,000	80,000	0	0.00%
52141 (6880) Minor Equipment/Small Tools	25,000	30,000	5,000	20.00%
52143 (6889) Software/Licensing Fees	15,000	10,000	(5,000)	(33.33%)
52142 (6890) Computer Equip/Accessories	15,000	15,000	0	0.00%
52162 (7022&35&50) Special Departmental Exp	40,000	36,000	(4,000)	(10.00%)
52061 (7201) Fuel/Gas/Oil	10,000	30,000	20,000	200.00%
51921 (7206) Equipment Usage Charges	340,000	408,000	68,000	20.00%
52072 (7212) Chemicals	300,000	380,000	80,000	26.67%
52171 (7247) Water Conservation Program	175,000	15,000	(160,000)	(91.43%)
51602 (7302) Business Travel/Mileage	0	3,000	3,000	N/A
52191 (7320) Utilities	2,000	2,000	0	0.00%
52193 (7394) Utilities-Power	615,000	625,000	10,000	1.63%
<b><i>Subtotal Services and Supplies</i></b>	<b>\$10,170,713</b>	<b>\$10,315,512</b>	<b>\$144,799</b>	<b>1.42%</b>
<b><u>OTHER CHARGES</u></b>				
53103 (7930) Interest on LT Debt	\$224,215	\$185,757	(\$38,458)	(17.15%)
53402 (7980) Depreciation Expense	3,894,000	3,907,000	13,000	0.33%
53401 (7981) Amortization Expense	3,500	500	(3,000)	(85.71%)
<b><i>Subtotal Other Charges</i></b>	<b>\$4,121,715</b>	<b>\$4,093,257</b>	<b>(\$28,458)</b>	<b>(0.69%)</b>
<b><u>FIXED ASSETS</u></b>				
19820 (8560) Machinery & Equipment	\$25,000	\$100,000	\$75,000	300.00%
19851 (9480) Intangible Assets - Non-amort	15,000	15,000	0	0.00%
19841 (9482) Work in Progress - Intang	97,426	100,000	2,574	2.64%
<b><i>Subtotal Fixed Assets</i></b>	<b>\$137,426</b>	<b>\$215,000</b>	<b>\$77,574</b>	<b>56.45%</b>
<b><u>OTHER FINANCING USES</u></b>				
57011 (8625) Transfers out-within a Fund	\$4,244,133	\$4,440,331	\$196,198	4.62%
<b><i>Subtotal Other Financing Uses</i></b>	<b>\$4,244,133</b>	<b>\$4,440,331</b>	<b>\$196,198</b>	<b>4.62%</b>

<b>Sub-Object No. and Title</b>	<b>Adopted 2014-15</b>	<b>Requested 2015-16</b>	<b>Difference</b>	<b>Percent Change</b>
<b><u>APPROPRIATIONS FOR CONT</u></b>				
55011 (9000) Appropriations for Contingency	\$150,000	\$150,000	\$0	0.00%
<b><i>Subtotal Approp for Contingencies</i></b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
59002 (9210) Advances	\$129,275	\$174,500	\$45,225	34.98%
59003 (9219) Advances Clearing	(129,275)	(174,500)	(45,225)	34.98%
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$18,823,987</b>	<b>\$19,214,100</b>	<b>\$390,113</b>	<b>2.07%</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$3,604,953</b>	<b>\$4,611,891</b>	<b>\$1,006,938</b>	<b>27.93%</b>

**FY 2015-16 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 (1001) Direct Charges - CY**

Flat charge revenue from annual service charges is expected to increase from the adopted FY 14-15 budget. The rate will increase 4.5%, from \$852 to \$890

ESDs times annual rate:	15,330 x \$890	\$13,643,700
Less Estimated Delinquency Factor:	3%	(409,311)
		\$13,234,389

(See Account 45221 for Total ESDs)

**40202 (1061) Direct Charges - PY**

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

**40999 (1120) Penalties/Costs on Taxes**

This item records penalties paid on delinquent sewer service charges.

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

**44002 (1700) 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		\$1,800,000
Projected Interest Rate		0.65%
Projected Interest on Pooled Cash		\$11,700

**44003 (1701) Interest Earned**

This represents the interest earnings on the advance to the Power Resources Fund for the purchase of the photovoltaic facility located at the treatment plant.

**44101 (1801) Rent-Real Estate**

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

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

**45221 (3400) 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	126 x \$890	= \$112,140
Based on flow (historical figure)		900,000
		\$1,012,140

**45221 (3403) Sewer/Water Usage Fees (Industrial Users Monitoring/Discharge)**  
 This account records revenue associated with the Industrial Users Monitoring Program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant. The budgeted amount is expected to offset monitoring expenses anticipated to be incurred primarily by the Agency's Environmental Compliance Inspector (see Account 52161, Special Departmental Expense).

**45221 (3404) Sewer/Water Usage Fees (Septic Disposal Fee)**  
 This account records the revenue to the district for septic haulers using the treatment plant facilities to dispose of septic waste.

**45301 (3600) Other Charges for Services**  
 This account records the revenue to the District for recycled water sales.

**45316 (4099) Conservation Program**  
 This account records \$1,500 of each connection fee to support the water conservation program per Ordinance 59 dated 8/8/2002.

**46021 (4304) Capital Grants-Federal**  
 Anticipated revenue from Bureau of Reclamation for the McGill road project.

**46022 (4303) Capital Grants-State**  
 Anticipated revenue from BARIRWMP for the recycled water to the high school project.

**49002 (4210) Advances**  
 This account records the proceeds from the ISF-Power Resources Fund to purchase the photovoltaic asset. The total asset value as of 6/30/08 was \$8,021,593 which will be paid over 12 years.

**49003 (4219) Advances - Clearing**  
 This is the clearing account for sub-object 4210.

**51902 (6040) Telecommunication Usage**  
 This account records expenses paid by the District for outside communication and wireless services.

**51032 (6085) Janitorial Services**  
 This item is requested to provide funds for custodial services.

**51061 (6140) Maintenance - Equipment**  
 This account records the costs for routine maintenance of equipment. (no longer using 6180)

**51076 (6246) Maint Fac Ops**  
 This account records the costs for non-routine maintenance of equipment.  
 The following projects are planned for the forthcoming year:

	<u>Order No.</u>	<u>Amount</u>
Sewer/Stream Crossing	7481	\$300,000

**52081 (6262) Medical/Laboratory Supplies**  
 This account records the cost of lab supplies required for testing and monitoring wastewater.

**52091 (6280) Memberships/Certifications**

This account records membership dues in the North Bay Watershed Association.

**52111 (6400) Office Supplies**

This account records non-capitalized office expenses.

**52117 (6410) Mail and Postage Supplies**

This item is requested to cover the costs of the Agency's postage.

**51241 (6430) Outside Printing & Binding**

This item is requested to cover the costs of printing services, which are primarily furnished by the County Reprographics Department.

**51231 (6512) Testing and Analysis**

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

**51209 (6516) Info Tech Services (Non ISD)**

This request covers the costs of various data processing supplies and services.

**51916 (6521) County Services**

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

**51917 (6523) 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.

**51803 (6540) Other Contract Services**

This account reflects the costs for various outside services, primarily sludge hauling and disposal.

**51226 (6570) Consulting Services**

This account records the costs of services provided by outside consultants including \$45,000 for the San Francisco Bay Integrated Regional Water Management Plan, \$50,000 for the Economic Development Board for the Water Conservation Program, NBWRA (\$75,000) Order #3967B0, Regulatory Permitting and Collection Modeling (\$75,000), Maximo (\$6,250), Recycled Water Distribution Study (\$300,000) and Recycled Water Runoff Study (\$200,000).

**51201 (6573) Administration Costs**

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

**51244 (6589) Permits/License/Fees**

This account records the cost of all permits.

**51211 (6610) Legal Services**

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

**51206 (6630) Accounting/Auditing Services**

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

**51919 (6697) EFS Charges**

This item represents the share of costs for the County's future operating system.

**51401 (6820) Rents/Leases - Equipment**

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

**52141 (6880) 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.



**52143 (6889) Software/Licensing Fees**

This item provides funds for various software packages.

**52142 (6890) Computer Equipment/Accessories**

This item provides funds for computer hardware as needed.

**52162 (7022 &35 &50) Special Departmental Expense**

Public Relations Expense includes the costs of special meetings.

**52061 (7201) Fuel/Gas/Oil**

This item include the costs of gas, diesel and oil.

**51921 (7206) Equipment Usage Charges**

This item is requested to provide funds for equipment usage.

**52072 (7212) 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 Water Quality Control Board.

**52171 (7247) Water Conservation Program**

This account reflects \$130,000 for the expanded water conservation program. This program is funded by revenue generated by the \$1,500 connection fee noted above under sub-object 4099.

**51602 (7302) Business Travel/Mileage**

This item is requested to cover the cost of travel expenses to meetings and seminars by Agency staff.

**52191 (7320) Utilities**

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

**52193 (7394) Utilities-Power**

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

**53103 (7930) Interest on LT Debt**

This account reflects interest expense on the outstanding loans from the State Revolving Fund for the Trunk Main at Watmaugh (\$52,025) and Bio-Solids (\$133,732).

**53402 (7980) Depreciation**

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

**53401 (7981) Amort Expense**

This records the amortization of intangible assets.

**19820 (8560) Machinery & Equipment**

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

**19851 (9480) Intangible Assets - Non-amort**

This account records sewer easement dedications.

**57011 (8625) 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.

<i>Transfer to:</i>	
Revenue Bond Fund	\$1,662,373
SRF Loan	442,974
SRF Loan Reserve	34,984
Construction Fund	2,300,000
Total Operating Transfer	<u>\$4,440,331</u>

**55011 (9000) Appropriations for Contingency**

This account provides funding for unanticipated expenditures or revenue shortfalls.

**59002 (9210) Advances**

This account reflects the principal payment for the proposed State Revolving Loan of \$3,100,000 for the Bio-Solids Project. Terms are 20 years @ 2.6%. Repayment to begin FY 14-15.

Original Amount of the Loan:	\$3,100,000
FY 14-15 Principal Payment	

This account reflects the principal payment for the proposed State Revolving Loan of \$2,320,304 for the Trunk Main at Watmaugh Project. Terms are 20 years @ 2.6%. The FY 15/16 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 13-4 Principal Payment:	(226,734)
FY 14-15 Principal Payment:	<u>(129,275)</u>
	\$2,093,570

**59003 (9219) Advances - Clearing**

This is the clearing account for account 59002, Advances.

**FY 2015-16 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 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$1,281,058</b>	<b>\$1,690,725</b>	<b>\$2,903,339</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	14,109,765	15,253,052	14,602,209
Expenditures - (Decrease) retained earnings	(19,302,330)	(18,305,967)	(19,214,100)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>(5,192,565)</b>	<b>(3,052,915)</b>	<b>(4,611,891)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
53402 (7980) Depreciation Expense	3,329,702	3,897,500	3,907,500
Net Change in Encumbrance	(157,214)	-	-
49002 (4210) Proceeds from LT Debt	1,889,375	-	-
59002 (9210) Advances	(90,338)	(90,339)	(174,500)
Change in Water Conservation Reserve	60,448	-	-
Change in Due from Other Fund	19,242	-	-
Change in Matured Principal	(2,349)	-	-
Dedication of Sewer Easements/Laterals	(88,000)	-	-
Post Audit Adjustment-Contingent Liab-spill	183,000	-	-
Advances-ISF Power Resources Fund	458,368	458,368	497,660
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>5,602,234</b>	<b>4,265,529</b>	<b>4,230,660</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$1,690,725</b>	<b>\$2,903,339</b>	<b>\$2,522,108</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b>			
<i>(Difference between Beginning and Ending Balance)</i>	<b>\$409,667</b>	<b>\$1,212,614</b>	<b>(\$381,231)</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$1,275,782	\$1,867,331	
Other Receivables-Flat Charges	715,673	606,115	
Accounts Payable	(12,675)	(313,579)	
Water Conservation Reserve	(60,448)	-	
Other Current Liability	(183,000)	-	
Due From Other Funds	458,367	477,609	
Due From Other Governments	128,923	61,058	
Due To Other Governments	(90,338)	(92,687)	
Vouchers Payable	(192,390)	-	
Interest Payment	(37,854)	(36,289)	
Deposit From Others	(100)	(700)	
Contract Retention Payable	(84)	(121)	
Encumbrances (Contract)	(720,798)	(878,012)	
<b>Total Beginning Retained Earnings</b>	<b>\$1,281,058</b>	<b>\$1,690,725</b>	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

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

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b>USE OF MONEY</b>				
44002 (1700) Interest on Pooled Cash	\$39,000	\$52,000	\$13,000	33.33%
<b>Subtotal Use of Money</b>	<b>\$39,000</b>	<b>\$52,000</b>	<b>\$13,000</b>	<b>33.33%</b>
<b>INTERGOVERNMENTAL REVENUE</b>				
42463 (2856) Federal Stimulus/ARRA	\$0	\$0	\$0	N/A
<b>Subtotal Miscellaneous Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>MISCELLANEOUS REVENUE</b>				
46021 (4303) Capital Grants-Federal	\$155,680	\$0	(\$155,680)	(100.00%)
46022 (4304) Capital Grants-State	56,000	0	(56,000)	(100.00%)
<b>Subtotal Miscellaneous Revenue</b>	<b>\$211,680</b>	<b>\$0</b>	<b>(\$211,680)</b>	<b>(100.00%)</b>
<b>ADMINISTRATIVE CONTROL ACCOUNT</b>				
49004 (4200) Administrative Control Account	\$2,200,000	\$0	(2,200,000)	(100.00%)
49005 (4209) Admin Control Acct Clearing	(2,200,000)	0	2,200,000	(100.00%)
<b>Subtotal Admin. Control Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>OTHER FINANCING SOURCES</b>				
47101 (4625) Transfers In -within a Fund	\$4,200,000	\$2,300,000	(\$1,900,000)	(45.24%)
<b>Subtotal Other Financing Sources</b>	<b>\$4,200,000</b>	<b>\$2,300,000</b>	<b>(\$1,900,000)</b>	<b>(45.24%)</b>
<b>TOTAL REVENUES</b>	<b>\$4,450,680</b>	<b>\$2,352,000</b>	<b>(\$2,098,680)</b>	<b>(47.15%)</b>
<b>EXPENDITURES:</b>				
<b>OTHER CHARGES</b>				
53103 (7920&24&92) Interest on LT Debt	\$6,073	\$0	(\$6,073)	(100.00%)
<b>Subtotal Other Charges</b>	<b>\$6,073</b>	<b>\$0</b>	<b>(\$6,073)</b>	<b>(100.00%)</b>
<b>FIXED ASSETS</b>				
19831 (8510) CIP - Bldg & Impr	\$332,728	\$0	(\$332,728)	(100.00%)
19832 (9400) CIP - Infrastructure	9,214,829	6,750,000	(2,464,829)	(26.75%)
19851 (9480) Intangible Assets - Non-amort	20,000	20,000	0	0.00%
19841 (9482) Work in Progress - Intang	500,000	500,000	0	0.00%
<b>Subtotal Fixed Assets</b>	<b>\$10,067,557</b>	<b>\$7,270,000</b>	<b>(\$2,797,557)</b>	<b>(27.79%)</b>
<b>OTHER FINANCING USES</b>				
57011 (8625) Transfers out-within a Fund	\$200,000	\$0	(200,000)	(100.00%)
<b>Subtotal Other Financing Uses</b>	<b>\$200,000</b>	<b>\$0</b>	<b>(\$200,000)</b>	<b>(100.00%)</b>
<b>ADMINISTRATIVE CONTROL ACCOUNT</b>				
59004 (9200) Admin Control Acct	\$201,711	\$0	(\$201,711)	(100.00%)
59005 (9209) Admin Control Acct-Clearing	(201,711)	0	201,711	(100.00%)
<b>Subtotal Admin. Control Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$10,273,630</b>	<b>\$7,270,000</b>	<b>(\$3,003,630)</b>	<b>(29.24%)</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$5,822,950</b>	<b>\$4,918,000</b>	<b>(\$904,950)</b>	<b>(15.54%)</b>

**FY 2015-16 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 (1700) 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	\$8,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$52,000

**Character Title:** Intergovernmental Revenue **Character No.:** 43302-33080200-42

**42463 (2856) ARRA/Other Reimb & Alloc**

No reimbursement is expected in FY15/16.

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

**46021 (4304) Capital Grants-Federal**

No State grants are anticipated in FY 15-16.

**46022 (4303) Capital Grants-State**

No Federal grants are anticipated in FY 15-16.

**Character Title:** Administrative Control Account **Character No.:** 43302-33080200-49

**49002 (4210) Advances**

This account records the proceeds from the Revenue Bond Project Fund for the Agua Caliente Pipeline Creek Crossing Project.

**49003 (4219) Advances - Clearing**

This is the clearing account for account 49002.

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

**47101 (4625) Transfers In-within a Fund**

This account reflects the transfer from the Operations Fund (\$2,000,000) and Revenue Bond Project Fund (\$2,200,000) 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:** Other Charges **Character No.:** 43302-33080200-53

**53103 (7920) Interest on LT Debt**

This account reflects the interest expense on the purchased property for a storage pond site.

**19832 (9400) CIP-Infrastructure**

This account is used for expenses associated with facility improvements or expansion. The following projects are planned for FY 15/16:

	<b>Order No.</b>	
<u>Re-line Equalization Basins</u>	7649	\$1,000,000
The requested amount is intended to fund design and construction for this project.		
<u>MH 90-3 to MH 136-5 Main Replacement (6th Street to Aqua Creek)</u>	7365	500,000
This requested amount is for design, right-of-way, CEQA and construction costs for trunk main replacement from Studley Street to Maxwell Park .		
<u>SV Recycle 5th St. East /Denmark St.)</u>	7655	2,500,000
Funding will be used to design and CEQA for a recycled water pipeline extending from Watmaugh Road to Denmark Street.		
<u>WWTP Pump Station Upgrade</u>	7486	700,000
Funding will be used to construct pump/piping improvement at the treatment plant.		
<u>Agua Caliente Pipeline Creek Crossing</u>	7544	2,050,000
This project will replace a portion of the existing trunk main in the vicinity of the crossing of Aqua Caliente Creek. Funding will be used for construction.		
	<b>Total</b>	<u><u>\$6,750,000</u></u>

**19851 (9480) Intangible Assets - Non-amort**

This account records sewer easement dedications.

\$20,000

**19841 (9482) Work in Progress - Intangible**

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

\$500,000

**59004 (9200) Admin Control Acct**

This account reflects the principal payments on the purchased property for a storage pond site. Pay off FY 14/15

**59005 (9209) Admin Control Acct-Clearing**

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

**FY 2015-16 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 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting (See Detailed Components Below)</b>	<b>(\$208,855)</b>	<b>\$7,693,174</b>	<b>\$5,105,990</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	10,475,028	4,790,600	2,352,000
Expenditures - (Decrease) retained earnings	(8,292,481)	(7,176,073)	(7,270,000)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>2,182,547</b>	<b>(2,385,473)</b>	<b>(4,918,000)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
Change in Note Payable	(7,832)	-	-
Capitalized Interest	(328,606)	-	-
59004 (9200) Admin Control Acct	(193,877)	(201,711)	-
Audit Adjustment	52,124	-	-
Change in Encumbrances	6,197,672	-	-
<b>Net Adjustment - Increase/(Decrease) to Fund Balance</b>	<b>5,719,481</b>	<b>(201,711)</b>	<b>-</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$7,693,172</b>	<b>\$5,105,990</b>	<b>\$187,990</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$7,902,027</b>	<b>(\$2,587,184)</b>	<b>(\$4,918,000)</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$6,804,456	\$8,378,884	
Accounts Payable	(1,197,913)	(53,570)	
Deposit with Others	-	-	
Due from Other Gov't	1,082,545	166,250	
Note Payable (current portion)	(193,877)	(201,709)	
Contract Retention Payable	(61,995)	(152,282)	
Due to Other Fund	-	-	
Encumbrances (Contract)	(6,642,071)	(444,399)	
<b>Total Beginning Retained Earnings</b>	<b>(\$208,855)</b>	<b>\$7,693,174</b>	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: **SONOMA VALLEY CSD - GLEN ELLEN BONDS**

Fund/Department ID: **43304-33080300**

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>TAXES</u></b>				
40002 (1000) Prop Tax - CY,Secured	\$17,500	\$17,500	\$0	0.00%
40111 (1020) Supplemental Prop Taxes - CY	200.00	200.00	0	0.00%
40101 (1040) Prop Taxes - CY, Unsecured	400.00	400.00	0	0.00%
<b>Subtotal Taxes</b>	<b>\$18,100</b>	<b>\$18,100</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>USE OF MONEY</u></b>				
44002 (1700) Interest on Pooled Cash	\$18	\$20	\$2	8.33%
<b>Subtotal Use of Money</b>	<b>\$18</b>	<b>\$20</b>	<b>\$2</b>	<b>8.33%</b>
<b>TOTAL REVENUES</b>				
	<b>\$18,118</b>	<b>\$18,120</b>	<b>\$2</b>	<b>0.01%</b>
<b>EXPENDITURES:</b>				
<b><u>SERVICES AND SUPPLIES</u></b>				
51242 (6635) Bank Charges	\$52	\$52	\$0	0.00%
<b>Subtotal Services and Supplies</b>	<b>\$52</b>	<b>\$52</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>OTHER CHARGES</u></b>				
53103 (7920&7972) Interest on LT Debt	\$1,651	\$851	(\$800)	(48.46%)
<b>Subtotal Other Charges</b>	<b>\$1,651</b>	<b>\$851</b>	<b>(\$800)</b>	<b>(48.46%)</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
59004 (9200) Admin Control Acct	\$16,000	\$17,000	\$1,000	6.25%
59005 (9209) Admin Control Acct-Clearing	(16,000)	(17,000)	(1,000)	6.25%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>				
	<b>\$1,703</b>	<b>\$903</b>	<b>(\$800)</b>	<b>(46.98%)</b>
<b>TOTAL NET COST</b>				
<i>(Expenditures Minus Revenues)</i>	<b>(\$16,415)</b>	<b>(\$17,217)</b>	<b>(\$802)</b>	<b>4.88%</b>



**FY 2015-16 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Glen Ellen Bonds

**Character Title:** Taxes

**Character No.:** 43304-33080300-40

**40002 (1000) Prop Taxes - CY Secured**

The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

**40111 (1020) Prop Taxes - CY Supplemental**

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

**40101 (1040) Prop Taxes - CY Unsecured**

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

**Note:**

The FY 15-16 bond payment amount (principal and interest) is \$17,903. To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained for this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

**Character Title:** Use of Money

**Character No.:** 43304-33080300-44

**44002 (1700) Interest on Pooled Cash**

This account records interest on pooled cash held for this Bond Fund 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
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$20

**Character:** Services and Supplies

**Character No.:** 43304-33080300-51

**51242 (6635) Bank Charges**

This account records the fee collected by the County Treasurer for acting as the fiscal agent.

**Character:** Other Charges

**Character No.:** 43304-33080300-53

**53103 (7920) Interest on LT Debt**

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5%. Payments began January 1, 1977 and will continue semi-annually until July 1, 2016. The FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

**59004 (9200) Admin Control Acct**

This account reflects the principal payment for general obligation bonds that were issued in 1976 to finance the local share of a wastewater collection system. Payments on the bonds will continue until July 1, 2016. FY 15-16 request is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original Amount of the General Obligation Bond Issue:	\$300,000
Total FY 77-78 through FY 13-14 Principal Payments:	(267,000)
FY 14-15 Principal Payment:	(16,000)
Outstanding Bond Amount	\$17,000

**59005 (9209) Admin Control Acct-Clearing**

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

**FY 2015-16 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation  
Fund: Sonoma Valley CSD - Glen Ellen Bonds  
Fund/Department ID: 43304-33080300

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$3,435</b>	<b>\$3,467</b>	<b>\$3,884</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	17,433	18,120	18,120
Expenditures - (Decrease) retained earnings	(2,400)	(1,703)	(903)
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	15,033	16,417	17,217
<b>Adjustments to Reserves/Encumbrances:</b>			
59004 (9200) - Admin Control Acct	(15,000)	(16,000)	(17,000)
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	(15,000)	(16,000)	(17,000)
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$3,467</b>	<b>\$3,884</b>	<b>\$4,101</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$32</b>	<b>\$417</b>	<b>\$217</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$3,435	\$3,467	
<b>Total Beginning Fund Balance</b>	\$3,435	\$3,467	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: SONOMA VALLEY CSD - REVENUE BONDS

Fund/Department ID: 43305-33080800

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 (1700) Interest on Pooled Cash	\$12,000	\$13,000	\$1,000	8.33%
<b>Subtotal Use of Money</b>	<b>\$12,000</b>	<b>\$13,000</b>	<b>\$1,000</b>	<b>8.33%</b>
<b><u>Other Financing Sources</u></b>				
47101 (4625) Transfers In -within a Fund	\$1,689,177	\$1,662,373	(\$26,804)	(1.59%)
<b>Subtotal Other Financing Sources</b>	<b>\$1,689,177</b>	<b>\$1,662,373</b>	<b>(\$26,804)</b>	<b>(1.59%)</b>
<b>TOTAL REVENUES</b>	<b>\$1,701,177</b>	<b>\$1,675,373</b>	<b>(\$25,804)</b>	<b>(1.52%)</b>
<b>EXPENDITURES:</b>				
<b><u>SERVICES AND SUPPLIES</u></b>				
51242 (6635) Bank Charges	\$8,000	\$8,000	\$0	0.00%
<b>Subtotal Services and Supplies</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>OTHER CHARGES</u></b>				
53103 (7920&7972) Interest on LT Debt	\$658,995	\$624,372	(\$34,623)	(5.25%)
<b>Subtotal Other Charges</b>	<b>\$658,995</b>	<b>\$624,372</b>	<b>(\$34,623)</b>	<b>(5.25%)</b>
<b><u>OTHER FINANCING USES</u></b>				
57011 (8625) Transfers out-within a Fund	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
59002 (9210) Advances	\$995,000	\$1,030,000	\$35,000	3.52%
59003 (9219) Advances Clearing	(995,000)	(1,030,000)	(35,000)	3.52%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$666,995</b>	<b>\$632,372</b>	<b>(\$34,623)</b>	<b>(5.19%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$1,034,182)</b>	<b>(\$1,043,001)</b>	<b>(\$8,819)</b>	<b>0.85%</b>

**FY 2015-16 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 (1700) Interest on Pooled Cash**

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

Estimated Average Cash Balance	\$2,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$13,000

**44003 (1701) Other Interest Earned**

Proceeds from the 2013 Revenue Bonds are held by US Bank acting as trustee. Interest earnings on the proceeds are retained by the trustee and a corresponding adjustment is made at year end closing to recognize the earnings within this account.

**Character Title:** Other Financing Sources

**Character No.:** 43305-33080800-47

**47101 (4625) 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 principal and interest payment.

**Character Title:** Services and Supplies

**Character No.:** 43305-33080800-51

**51242 (6635) 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 (7920) 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%.

**57011 (8625) Transfers out-within a Fund**

No transfers are planned for FY 15-16.

**59004 (9200) Admin Control Acct**

This account reflects the principal payment for revenue bonds issued in FY 98-99 and partial refunding in FY 05-06 to finance the Sonoma Valley CSD's planned capital program. Payments began in 1999 and will continue as interest only from February 2006 until 2019 when principal payment will resume and continue to maturity in 2023. Principal payments on the 1998 non-refunded portion will resume in 2019 when the 2005 issue has been paid off.

2005 Refunding Issue	\$10,240,000
Total FY 07-08 through FY 13-14 Principal Payments:	(5,945,000)
FY 14-15 Principal Payments:	<u>(805,000)</u>
Outstanding Loan Amount	\$3,490,000

Principal payments began October 2006 and will continue until maturity in October 2018.

2013 Bond Issue	\$12,105,000
FY 13-14 Principal Payments:	(160,000)
FY 14-15 Principal Payments:	<u>(190,000)</u>
	\$11,755,000

**59005 (9209) Admin Control Acct-Clearing**

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

**FY 2015-16 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 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$1,005,928</b>	<b>\$1,065,803</b>	<b>\$1,099,375</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	1,681,049	1,699,745	1,675,373
Expenditures - (Decrease) retained earnings	(626,780)	(666,995)	(632,372)
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	1,054,268	1,032,750	1,043,001
<b>Adjustments to Reserves/Encumbrances:</b>			
9200 Enterprise - Principal	(965,000)	(965,000)	(1,030,000)
Debt Proceeds	-	-	-
Redemption of 98 Bonds	-	-	-
Deferred Refunding - 2013 Bonds	-	-	-
Costs of Issuance-2013 Bonds	-	-	-
Change in Cash w/Trustee Rsvd for Debt Service	(135)	-	-
Amortization of Debt Issuance Costs	-	-	-
Amortization of Debt Refunding	58,067	58,067	5,300
Amortization of Premium	(62,545)	(62,545)	-
Discount on Revenue Bonds Payable	5,222	5,300	-
Change in Matured Bonds Payable	(30,000)	(35,000)	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	(994,391)	(999,178)	(1,024,700)
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$1,065,803</b>	<b>\$1,099,375</b>	<b>\$1,117,676</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$59,875</b>	<b>\$33,572</b>	<b>\$18,301</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$2,169,966	\$2,287,267	
Cash with Trustee	918,999	876,143	
Cash with Trustee Res for Debt Service	(875,975)	(876,110)	
Matured Principal Payable	(965,000)	(995,000)	
Interest Payable	(242,062)	(226,497)	
<b>Total Beginning Fund Balance</b>	<b>\$1,005,928</b>	<b>\$1,065,803</b>	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: SONOMA VALLEY CSD - SRF LOAN RESERVE

Fund/Department ID: 43308-33080600

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 (1700) Interest on Pooled Cash	\$1,200	\$1,300	\$100	8.33%
<b>Subtotal Use of Money</b>	<b>\$1,200</b>	<b>\$1,300</b>	<b>\$100</b>	<b>8.33%</b>
<b><u>Other Financing Sources</u></b>				
47101 (4625) Transfers In-within a Fund	\$34,984	\$34,984	\$0	0.00%
<b>Subtotal Other Financing Sources</b>	<b>\$34,984</b>	<b>\$34,984</b>	<b>\$0</b>	<b>0.00%</b>
<b>TOTAL REVENUES</b>	<b>\$36,184</b>	<b>\$36,284</b>	<b>\$100</b>	<b>0.28%</b>

<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$36,184)</b>	<b>(\$36,284)</b>	<b>(\$100)</b>	<b>0.28%</b>
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**FY 2015-16 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 (1700) Interest on Pooled Cash**

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

Estimated Average Cash Balance	\$200,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$1,300

**Character Title:** Other Financing Sources **Character No.:** 43308-33080600-47

**47101 (4625) Transfers In-within a Fund**

This account reflects the transfer of cash from the Operations Fund to the Reserve Fund. The amount added to the Capital Reserve Fund each year is \$34,984 (.5% of the final loan amount of approximately \$6,996,831). This transfer will occur each year during the first 10 years of the loan. Interest earned on the Reserve Fund shall remain in the fund. The schedule for transfers to the Reserve Fund is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Balance</u>
07-08	34,984	34,984
08-09	34,984	69,968
09-10	34,984	104,952
10-11	34,984	139,936
11-12	34,984	174,920
12-13	34,984	209,904
13-14	34,984	244,888
14-15	34,984	279,872
15-16	34,984	314,856
16-17	34,984	349,840

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 SVCSD SRF Loan Reserve Fund shall not fall below the required balance in any given year during the 20 year term of the loan.

**FY 2015-16 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 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$214,980</b>	<b>\$251,265</b>	<b>\$287,697</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	36,285	36,432	36,284
Expenditures - (Decrease) retained earnings	-	-	-
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	36,285	36,432	36,284
<b>Adjustments to Reserves/Encumbrances:</b>	-	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	-	-	-
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$251,265</b>	<b>\$287,697</b>	<b>\$323,981</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$36,285</b>	<b>\$36,432</b>	<b>\$36,284</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$214,980	\$251,265	
<b>Total Beginning Fund Balance</b>	<b>\$214,980</b>	<b>\$251,265</b>	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: SONOMA VALLEY CSD - SRF LOAN

Fund/Department ID: 43307-33080500

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 (1700) Interest on Pooled Cash	\$3,300	\$3,575	\$275	8.33%
<b>Subtotal Use of Money</b>	<b>\$3,300</b>	<b>\$3,575</b>	<b>\$275</b>	<b>8.33%</b>
<b><u>Other Financing Sources</u></b>				
47101 (4625) Transfers In -within a Fund	\$442,972	\$442,974	\$2	0.00%
<b>Subtotal Other Financing Sources</b>	<b>\$442,972</b>	<b>\$442,974</b>	<b>\$2</b>	<b>0.00%</b>
<b>TOTAL REVENUES</b>	<b>\$446,272</b>	<b>\$446,549</b>	<b>\$277</b>	<b>0.06%</b>
<b>EXPENDITURES:</b>				
<b><u>OTHER CHARGES</u></b>				
53103 (7920&7972) Interest on LT Debt	\$120,798	\$113,369	(\$7,429)	(6.15%)
<b>Subtotal Other Charges</b>	<b>\$120,798</b>	<b>\$113,369</b>	<b>(\$7,429)</b>	<b>(6.15%)</b>
<b><u>OTHER FINANCING USES</u></b>				
57011 (8625) Transfers out-within a Fund	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
59004 (9200) Admin Control Acct	\$322,194	\$329,605	\$7,411	2.30%
59005 (9209) Admin Control Acct-Clearin	(322,194)	(329,605)	(7,411)	2.30%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$120,798</b>	<b>\$113,369</b>	<b>(\$7,429)</b>	<b>(6.15%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$325,474)</b>	<b>(\$333,180)</b>	<b>(\$7,706)</b>	<b>2.37%</b>

**FY 2015-16 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 (1700) 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	\$550,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	<u>\$3,575</u>

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

**47101 (4625) 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

**53105 (7930) 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 (8625) Transfers out-within a Fund**

No operating transfer will be budgeted in FY 15-16.

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

**59004 (9200) Admin Control Acct**

This account reflects the principal payment for the State Revolving Loan for the Tertiary Treatment Plant Upgrade Project.

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 13-14 Principal Payments:	(1,756,288)
FY 14-15 Principal Payments:	(329,605)
Outstanding Loan Amount	<u>\$4,921,609</u>

**59005 (9209) Admin Control Acct-Clearing**

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

**FY 2015-16 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 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$178,175</b>	<b>\$177,874</b>	<b>\$188,438</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	445,085	446,312	446,549
Expenditures - (Decrease) retained earnings	(123,193)	(120,798)	(113,369)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>321,892</b>	<b>325,514</b>	<b>333,180</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
9200 Enterprise - Principal	(314,950)	(314,950)	(\$329,605)
Increase in Matured Bonds Payable	(7,244)	-	-
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>(322,194)</b>	<b>(314,950)</b>	<b>(329,605)</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$177,874</b>	<b>\$188,438</b>	<b>\$192,013</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>(\$301)</b>	<b>\$10,564</b>	<b>\$3,575</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$578,473	\$580,587	
Interest Payable	(85,348)	(80,519)	
Due to Other Government	(314,950)	(322,194)	
<b>Total Beginning Fund Balance</b>	<b>\$178,175</b>	<b>\$177,874</b>	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE

Fund/Department ID: 43309-33080700

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
44002 (1700) Interest on Pooled Cash	\$900	\$845	(\$55)	(6.11%)
<b>Subtotal Use of Money</b>	<b>\$900</b>	<b>\$845</b>	<b>(\$55)</b>	<b>(6.11%)</b>
<b><u>Other Financing Sources</u></b>				
47101 (4625) Transfers In -within a Fund	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL REVENUES</b>	<b>\$900</b>	<b>\$845</b>	<b>(\$55)</b>	<b>(6.11%)</b>
<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>(\$900)</b>	<b>(\$845)</b>	<b>\$55</b>	<b>(6.11%)</b>

**FY 2015-16 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 (1700) 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	\$130,000
Projected Interest Rate	<u>0.65%</u>
Projected/Planned Interest on Pooled Cash	\$845

**Character Title:** Other Financing Sources

**Character No.:** 43309-33080700-47

***47101 (4625 ) Transfers In-within a Fund***

This account reflects the transfer of cash from the Operations Fund to the Reserve Fund. This Reserve Fund is established in order to comply with the State Revolving Fund loan requirement to have reserves equal to one year's debt service.

**FY 2015-16 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 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting (See Detailed Components Below)</b>	<b>\$151,670</b>	<b>\$152,566</b>	<b>\$153,446</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	897	880	\$845
Expenditures - (Decrease) retained earnings	-	-	-
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>897</b>	<b>880</b>	<b>845</b>
<b>Adjustments to Reserves/Encumbrances:</b>	-	-	-
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$152,566</b>	<b>\$153,446</b>	<b>\$154,291</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$896</b>	<b>\$880</b>	<b>\$845</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$151,670	\$152,566	
<b>Total Beginning Fund Balance</b>	<b>\$151,670</b>	<b>\$152,566</b>	



**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: Sonoma Valley CSD - Revenue Bond Project Fund

Fund/Department ID: 43306-33080900

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
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**REVENUES:**

**USE OF MONEY**

44002 (1700) Interest on Pooled	\$0	\$6,500	\$6,500	N/A
<b>Subtotal Use of Money</b>	<b>\$0</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>N/A</b>

<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>N/A</b>
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**EXPENDITURES:**

**Other Financing Sources**

47101 (4625) Transfers In-within :	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
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<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$0</b>	<b>(\$6,500)</b>	<b>(\$6,500)</b>	<b>N/A</b>
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**FY 2015-16 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Revenue Bond Project Fund

**Character Title:** Use of Money

**Character No.:** 43306-33080900-44

<b>44002 (1700) Interest on Pooled Cash</b>	
Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	0.65%
Projected/Planned Interest on Pooled Cash	\$6,500

**Character Title:** Other Financing Sources

**Character No.:** 43306-33080900-57

<p><b>57011 (8625) Transfers out-within a Fund</b></p> <p>This account reflects the transfer of funds to the Construction Fund for the Aqua Caliente Pipeline Creek Crossing at McGill Road.</p>
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**FY 2015-16 BUDGET  
STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation  
Fund: Sonoma Valley CSD - Revenue Bond Project Fund  
Fund/Department ID: 43306-33080900

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$6,020,706</b>	<b>\$1,256,300</b>	<b>\$66,657</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	35,594	10,357	6,500
Expenditures - (Decrease) retained earnings	(4,800,000)	(1,200,000)	-
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	<b>(4,764,406)</b>	<b>(1,189,643)</b>	<b>6,500</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
4200 - ENT LTD Proceeds	-	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	<b>-</b>	<b>-</b>	<b>-</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$1,256,300</b>	<b>\$66,657</b>	<b>\$73,157</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>(\$4,764,406)</b>	<b>(\$1,189,643)</b>	<b>\$6,500</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$6,020,706	\$1,256,300	
<b>Total Beginning Fund Balance</b>	<b>\$6,020,706</b>	<b>\$1,256,300</b>	

**FY 2015-16 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

Fund: Sonoma Valley CSD - Wet Weather Mitigation  
Fund/Department ID: 3308100

Sub-Object No. and Title	Adopted 2014-15	Requested 2015-16	Difference	Percent Change
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**REVENUES:**

45306 Mitigation Fees-Residential	\$0	\$30,000	\$30,000	N/A
<b>Subtotal</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>N/A</b>

<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>N/A</b>
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**EXPENDITURES:**

**SERVICES AND SUPPLIES**

51061 (6140) Maintenance - Equipment	\$0	\$30,000	\$30,000	N/A
<b>Subtotal Services and Supplies</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>N/A</b>

<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>N/A</b>
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<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
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**FY 2015-16 BUDGET  
CHARACTER JUSTIFICATION**

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

Character No.: 3308100

**45306 Mitigation Fees-Residential**  
Mitigation fee received.

Character Title: Services a& Supplies

Character No.: 3308100-60

**51061 '6140) 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.

**FY 2015-16 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

Department: Sonoma County Water Agency - Sanitation  
Fund: Sonoma Valley CSD - Wet Weather Mitigation  
Fund/Department ID: 3308100

DESCRIPTION OF FUND ACTIVITY	Actual FY 13-14	Estimated FY 14-15	Requested FY 15-16
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	0	0	30,000
Expenditures - (Decrease) retained earnings	0	0	(30,000)
<b>Net Surplus or Deficit</b> - Inc/(Dec) to retained earnings	-	-	-
<b>Adjustments to Reserves/Encumbrances:</b>	-	-	-
<b>Net Adjustment</b> - Increase/(Decrease) to Retained Earnings	-	-	-
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings</b>			
<b>Available for Budgeting</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/13</b>	<b>7/1/14</b>	
Cash	\$0	\$0	
<b>Total Beginning Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	