

FY 2017-18 BUDGET

BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

A. Program Description

This budget finances operation, maintenance, and administration of a collection system, pumping stations, a treatment plant, and disposal facilities which serve the Sonoma Valley County Sanitation District (Sonoma Valley CSD). The District includes the City of Sonoma, as well as the communities of Boys Hot Springs, Agua Caliente, El Vera no 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 16-17 Adopted	FY 17-18 Requested	Percent Change	FY 16-17 Adopted	FY 17-18 Requested	Percent Change
Operations	\$23,902,175	\$23,050,195	(3.56%)	\$6,873,248	\$7,358,011	7.05%
Construction	7,700,000	2,263,000	(70.61%)	870,000	(3,326,000)	(482.30%)
Glen Ellen Bonds	0	0	N/A	(24)	(36)	48.33%
Revenue Bonds	594,696	557,510	(6.25%)	(1,076,600)	(1,114,708)	3.54%
SRF Loan Reserve	0	0	N/A	(36,604)	(2,403)	(93.44%)
State Loan Reserve	0	0	N/A	(888)	(1,317)	48.33%
SRF Loan	105,789	98,032	(7.33%)	(338,145)	(346,365)	2.43%
Rev Bond Project	0	0	N/A	0	0	N/A
Wet Weather Mitig	0	0	N/A	0	0	N/A
TOTAL:	\$32,302,660	\$25,968,737	(19.61%)	\$6,290,987	\$2,567,183	(59.19%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 15-16 Actual	FY 16-17 Budget Estimate	FY 16-17 Revised Estimate	FY 17-18 Projected	Change from FY 16-17 Budget Estimate
TOTAL ESDs	17,388	17,447	17,350	17,357	(0.52%)
TOTAL APNs	11,496	11,496	10,413	10,420	(9.36%)

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.

FY 16-17 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 4.0% for FY 16-17.

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 2017-18 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund:

SONOMA VALLEY CSD - OPERATIONS

Fund/Department ID:

43301-33080100

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
40003 (1001) Direct Charges-CY	\$13,875,703	\$14,212,099	\$336,396	2.42%
40202 (1061) Direct Charges - PY	170,000	170,000	0	0.00%
40999 (1120) Penalties/Costs on Taxes	43,000	43,000	0	0.00%
Subtotal Taxes	\$14,088,703	\$14,425,099	\$336,396	2.39%
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$23,460	\$34,799	\$11,339	48.33%
44003 (1701) Other Interest Earnings	68,088	46,318	(21,770)	(31.97%)
44101 (1801) Rent - Real Estate	11,000	11,000	0	0.00%
Subtotal Use of Money	\$102,548	\$92,117	(\$10,431)	(10.17%)
<u>CHARGES FOR SERVICES</u>				
45221 (3400&01&03&04) Sewer/Water Usage Fee	\$1,016,676	\$1,121,968	\$105,292	10.36%
45301 (3600) Charges for Services	36,000	37,000	1,000	2.78%
45316 (4099) Water Conservation	15,000	16,000	1,000	6.67%
Subtotal Charges for Services	\$1,067,676	\$1,174,968	\$107,292	10.05%
<u>MISCELLANEOUS REVENUE</u>				
46021 (4304) Capital Grants-Federal	\$750,000	\$0	(\$750,000)	(100.00%)
46022 (4303) Capital Grants-State	1,020,000	0	(1,020,000)	(100.00%)
Subtotal Miscellaneous Revenue	\$1,770,000	\$0	(\$1,770,000)	(100.00%)
<u>Intergovernmental Revenue</u>				
42358 State Other Funding	\$0	\$0	\$0	N/A
Subtotal Intergovernmental	\$0	\$0	\$0	N/A
<u>Other Financing Sources</u>				
47101 (4625) Transfers In-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Sources	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
49002 (4210) Advances	\$518,552	\$540,320	\$21,768	4.20%
49003 (4219) Advances Clearing	(518,552)	(540,320)	(21,768)	4.20%
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$17,028,927	\$15,692,184	(\$1,336,743)	(7.85%)

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
<u>SERVICES AND SUPPLIES</u>				
51032 (6085) Janitorial Services	5,000	5,000	0	0.00%
51061 (6140) Maintenance - Equipment	500,000	500,000	0	0.00%
51076 (6246) Maint - FACOPS	1,204,000	850,000	(354,000)	(29.40%)
51201 (6573) Administration Costs	115,000	115,000	0	0.00%
51206 (6630) Accounting/Auditing Services	15,000	12,000	(3,000)	(20.00%)
51209 (6516) Info Tech Svs (Non ISD)	10,000	0	(10,000)	(100.00%)
51211 (6610) Legal Services	80,000	30,000	(50,000)	(62.50%)
51231 (6512) Testing/Analysis	90,000	150,000	60,000	66.67%
51241 (6430) Outside Printing & Binding	17,000	15,000	(2,000)	(11.76%)
51244 (6589) Permits/License/Fees	80,000	50,000	(30,000)	(37.50%)
51401 (6820) Rents & Leases-Equipment	40,000	50,000	10,000	25.00%
51602 (7302) Business Travel/Mileage	3,000	2,000	(1,000)	(33.33%)
51803 (6540) Other Contract Services	1,130,000	840,000	(290,000)	(25.66%)
51902 (6040) Telecommunication Usage	15,000	10,000	(5,000)	(33.33%)
51921 (7206) Equipment Usage Charges	410,000	430,000	20,000	4.88%
51916 (6521) County Services	80,000	75,000	(5,000)	(6.25%)
51917 (6523) District Operations Chgs	5,800,000	6,300,000	500,000	8.62%
51919 (6697) EFS Charges	117,060	0	(117,060)	(100.00%)
52061 (7201) Fuel/Gas/Oil	10,000	15,000	5,000	50.00%
52072 (7212) Chemicals	340,000	380,000	40,000	11.76%
52081 (6262) Medical/Laboratory Supplies	35,000	35,000	0	0.00%
52091 (6280) Memberships/Certifications	30,000	25,000	(5,000)	(16.67%)
52111 (6400&61) Office Supplies	16,000	16,000	0	0.00%
52117 (6410) Mail and Postage Supplies	3,000	2,000	(1,000)	(33.33%)
52141 (6880) Minor Equipment/Small Tools	30,000	30,000	0	0.00%
52142 (6890) Computer Equip/Accessories	15,000	15,000	0	0.00%
52143 (6889) Software/Licensing Fees	5,000	10,000	5,000	100.00%
52171 (7247) Water Conservation Program	17,000	0	(17,000)	(100.00%)
52191 (7320) Utilities	2,000	2,000	0	0.00%
52193 (7394) Utilities-Power	640,000	600,000	(40,000)	(6.25%)
Subtotal Services and Supplies	\$10,854,060	\$10,564,000	(\$290,060)	(2.67%)
<u>OTHER CHARGES</u>				
53103 (7930) Interest on LT Debt	\$129,483	\$121,794	(\$7,689)	(5.94%)
53402 (7980) Depreciation Expense	3,724,586	4,443,000	718,414	19.29%
53401 (7981) Amortization Expense	15,392	0	(15,392)	(100.00%)
Subtotal Other Charges	\$3,869,461	\$4,564,794	\$695,333	17.97%
<u>FIXED ASSETS</u>				
19820 (8560) Machinery & Equipment	\$0	\$50,000	\$50,000	N/A
19841 (9482) Work in Progress - Intang	100,000	100,000	0	0.00%
19851 (9480) Intangible Assets - Non-amort	16,000	16,000	0	0.00%
Subtotal Fixed Assets	\$116,000	\$166,000	\$50,000	43.10%
<u>APPROPRIATIONS FOR CONT</u>				
55011 (9000) Appropriations for Contingency	\$150,000	\$150,000	\$0	0.00%
Subtotal Approp for Contingencies	\$150,000	\$150,000	\$0	0.00%
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$8,912,654	\$7,605,401	(\$1,307,253)	(14.67%)
Subtotal Other Financing Uses	\$8,912,654	\$7,605,401	(\$1,307,253)	(14.67%)

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59002 (9210) Advances	\$223,595	\$227,440	\$3,845	1.72%
59003 (9219) Advances Clearing	(223,595)	(227,440)	(3,845)	1.72%
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL EXPENDITURES	\$23,902,175	\$23,050,195	(\$851,980)	(3.56%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$6,873,248	\$7,358,011	\$484,763	7.05%

FY 2017-18 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 16-17 budget. The rate will increase 4.5%, from \$926 to \$968.

ESDs times annual rate:	15,136 x \$968	\$14,651,648
Less Estimated Delinquency Factor:	3%	(439,549)
		\$14,212,099

(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		\$3,910,000
Projected Interest Rate		0.89%
Projected Interest on Pooled Cash		\$34,799

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 \$968	= \$121,968
Based on flow (historical figure)		1,000,000
		\$1,121,968

Character Title: Charges for Services (Continued)

Character No.: 43301-33080100-45

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.

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.

Character Title: Miscellaneous Revenue

Character No.: 43301-33080100-46

46021 (4304) Capital Grants-Federal

No grants will be received in FY 17/18.

46022 (4303) Capital Grants-State

No grants will be received in FY 17/18.

Character Title: Administrative Control Account

Character No.: 43301-33080100-49

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 account 49002.

Character Title: Services and Supplies

Character No.: 43301-33080100-51 & 52

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>
Electrical Resiliency Project		\$500,000
Facility Automation		100,000
Roof Replacement		250,000
	Total	<u>\$850,000</u>

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.

51206 (6630) Accounting/Auditing Services

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

51209 (6516) Info Tech Services (Non ISD)

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

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.

51231 (6512) Testing and Analysis

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

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.

51244 (6589) Permits/License/Fees

This account records the cost of all permits.

51401 (6820) Rents/Leases - Equipment

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

51602 (7302) Business Travel/Mileage

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

51803 (6540) Other Contract Services

This account reflects the costs for various outside services including sludge hauling and disposal (\$250,000), BAIRWMP (\$45,000) and miscellaneous services (\$545,000).

51902 (6040) Telecommunication Usage

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

51921 (7206) Equipment Usage Charges

This item is requested to provide funds for equipment usage.

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.

52061 (7201) Fuel/Gas/Oil

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

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.

52081 (6262) Medical/Laboratory Supplies

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

Character Title: **Services and Supplies (Continued)**

Character No.: **43301-33080100-51 & 52**

52091 (6280) Memberships/Certifications

This account records membership dues in the North Bay Watershed Association (\$1,500) and miscellaneous (\$28,500).

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.

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.

52142 (6890) Computer Equipment/Accessories

This item provides funds for computer hardware as needed.

52143 (6889) Software/Licensing Fees

This item provides funds for various software packages.

52171 (7247) Water Conservation Program

This program is funded by revenue generated by the \$1,500 connection fee noted above under account 45316.

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.

Character Title: **Other Charges**

Character No.: **43301-33080100-53**

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 (\$47,014) and Bio-Solids (\$74,780).

53402 (7980) Depreciation

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

Character Title: **Fixed Assets**

Character No.: **43301-33080100-19**

19820 (8560) Machinery & Equipment

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

19841 (9482) Work in Progress - Intang

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

19851 (9480) Intangible Assets - Non-amort

This account records sewer easement dedications.

Character Title: Other Financing Uses

Character No.: 43301-33080100-57

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.

Transfer to:

Revenue Bond Fund & SRF Loan	\$2,105,401
Construction Fund	5,500,000
Total Operating Transfer	<u>\$7,605,401</u>

Character Title: Appropriations for Contingencies

Character No.: 43301-33080100-55

55011 (9000) Appropriations for Contingency

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Administrative Control Account

Character No.: 43301-33080100-59

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 15-16.

Original Amount of the Loan:	\$3,100,000
Interest accrued to principal	\$36,025
Total FY 15-16 Principal Payment:	(135,789)
	<u>\$3,000,236</u>

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 17/18 request is based on the amortization schedule.

Original Amount of the Loan:	\$2,320,304
Total FY 12-13 through FY 14-15 Principal Payment:	(414,517)
FY 15-16 Principal Payment:	(97,569)
	<u>\$1,808,218</u>

59003 (9219) Advances - Clearing

This is the clearing account for account 59002, Advances.

FY 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$3,907,506	\$4,374,171	\$2,683,829
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	15,049,050	17,164,308	\$15,692,184
Expenditures - (Decrease) retained earnings	(18,448,744)	(24,280,898)	(\$23,050,195)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(3,399,694)	(7,116,590)	(7,358,011)
Adjustments to Reserves/Encumbrances:			
53402 (7980) Depreciation Expense	3,670,908	3,724,586	4,443,000
Net Change in Encumbrance	(140,908)	810,385	-
59002 (9210) Advances	(230,886)	-	(227,440)
Unrealized Gain/loss	6,847	-	-
Loss on Fixed Asset	8,034	-	-
Capitalized Interest	(8,403)	-	-
Change in Due from Other Fund	20,892	(518,551)	-
Advances From Other Gov't	9,211	(3,844)	-
Advance Principal Expenditure	-	(223,595)	-
Amortization	33,004	15,392	-
Advances-ISF Power Resources Fund	497,659	1,621,875	518,552
Net Adjustment - Increase/(Decrease) to Retained Earnings	3,866,358	5,426,248	4,734,112
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$4,374,171	\$2,683,829	\$59,930
Total Increase/(Decrease) in Retained Earnings for Fiscal Year			
(Difference between Beginning and Ending Balance)	\$466,665	(\$1,690,342)	(\$2,623,899)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/15	7/1/16	
Cash	\$3,921,770	\$4,097,981	
Other Receivables-Flat Charges	560,813	227,002	
Accounts Payable	(7,347)	(465)	
Due From Other Funds	497,659	518,551	
Due From Other Governments	126,121	-	
Due To Other Governments	(230,886)	(221,675)	
Due from Federal AR	-	9,099	
Due from State AR	-	50,171	
Vouchers Payable	(159,791)	(137,468)	
Accounts Receivable-AR Module	-	776,020	
Prepaid Expense	-	2,291	
Unbilled AR	-	3,265	
Interest Payment	(87,642)	(95,957)	
Deposit From Others	(43,666)	(44,166)	
Contract Retention Payable	(50)	(93)	
Encumbrances (Contract)	(669,477)	(810,385)	
Total Beginning Retained Earnings	\$3,907,506	\$4,374,171	

FY 2017-18 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
44002 (1700) Interest on Pooled Cash	\$60,000	\$89,000	\$29,000	48.33%
Subtotal Use of Money	\$60,000	\$89,000	\$29,000	48.33%
<u>INTERGOVERNMENTAL REVENUE</u>				
42463 (2856) Federal Stimulus/ARRA	\$0	\$0	\$0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
<u>MISCELLANEOUS REVENUE</u>				
46021 (4303) Capital Grants-Federal	\$0	\$0	\$0	N/A
46022 (4304) Capital Grants-State	0	0	0	N/A
Subtotal Miscellaneous Revenue	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
49004 (4200) Administrative Control Account	\$0	\$0	0	N/A
49005 (4209) Admin Control Acct Clearing	0	0	0	N/A
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
47101 (4625) Transfers In -within a Fund	\$6,770,000	\$5,500,000	(\$1,270,000)	(18.76%)
Subtotal Other Financing Sources	\$6,770,000	\$5,500,000	(\$1,270,000)	(18.76%)
TOTAL REVENUES	\$6,830,000	\$5,589,000	(\$1,241,000)	(18.17%)
EXPENDITURES:				
<u>OTHER CHARGES</u>				
53103 (7920&24&92) Interest on LT Debt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
19832 (9400) CIP - Infrastructure	\$7,543,000	\$2,143,000	(\$5,400,000)	(71.59%)
19841 (9482) Work in Progress - Intang	137,000	100,000	(37,000)	(27.01%)
19851 (9480) Intangible Assets - Non-amort	20,000	20,000	0	0.00%
Subtotal Fixed Assets	\$7,700,000	\$2,263,000	(\$5,437,000)	(70.61%)
<u>OTHER FINANCING USES</u>				
57011 (8625) Transfers out-within a Fund	\$0	\$0	0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
59004 (9200) Admin Control Acct	\$0	\$0	\$0	N/A
59005 (9209) Admin Control Acct-Clearing	0	0	0	N/A
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$7,700,000	\$2,263,000	(\$5,437,000)	(70.61%)
TOTAL NET COST	\$870,000	(\$3,326,000)	(\$4,196,000)	(482.30%)
<i>(Expenditures Minus Revenues)</i>				

FY 2017-18 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	\$10,000,000
Projected Interest Rate	<u>0.89%</u>
Projected/Planned Interest on Pooled Cash	\$89,000

Character Title: Intergovernmental Revenue

Character No.: 43302-33080200-42

42463 (2856) ARRA/Other Reimb & Alloc

No reimbursement is expected in FY17-18.

Character Title: Miscellaneous Revenue

Character No.: 43302-33080200-46

46021 (4304) Capital Grants-Federal

No State grants are anticipated in FY 17-18.

46022 (4303) Capital Grants-State

No Federal grants are anticipated in FY1 7-18.

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 (\$5,500,000) 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.

19832 (9400) CIP-Infrastructure

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

The following projects are planned for FY 17/18:

	Project#	
<u>MH 90-3 to MH 136-5 Main Replacement (6th Street to Aqua Creek)</u>	V0073	\$1,168,000

This requested amount is for design, right-of-way, CEQA and construction costs for trunk main replacement from Studley Street to Happy Lane.

<u>Watmaugh Bridge Project</u>	V0087	200,000
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Funds to provide for design and CEQA activities and coordinate with County bridge replacement project.

<u>Local Hazard Mitigation Projects</u>	TBD	250,000
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This requested amount is for design an CEQA projects to reduce the risk of damage to collection and treatment facilities resulting from natural hazards (e.g. seismic, flood, etc).

19841 (9482) Work in Progress - Intangible		\$625,000
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This account captures costs for the development of intangible assets including the implementation and negotiation or acquisitions of easements.

19851 (9480) Intangible Assets - Non-amort		\$20,000
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This account records sewer easement dedications.

\$2,263,000

FY 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$10,245,021	\$6,671,868	\$4,212,195
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	2,611,049	7,486,070	\$5,589,000
Expenditures - (Decrease) retained earnings	(3,948,456)	(12,052,263)	(\$2,263,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,337,407)	(4,566,193)	3,326,000
Adjustments to Reserves/Encumbrances:			
Capitalized Interest	(165,379)	-	-
Unrealized Gains/Loss	7,603	-	-
Post Audit Adjustment	(104,324)	-	-
Gain/Loss on Diposal Capital Assets	1,002	-	-
Change in Encumbrances	(1,974,648)	2,106,520	-
Net Adjustment - Increase/(Decrease) to Fund Balance	(2,235,746)	2,106,520	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$6,671,868	\$4,212,195	\$7,538,195
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$3,573,153)	(\$2,459,673)	\$3,326,000
<u>Retained Earnings Components at Beginning of FY</u>	7/1/15	7/1/16	
Cash	\$10,144,144	\$9,293,731	
Accounts Payable	(5,036)	(2,846)	
Prepaid	105,105	178,050	
Due from Other Gov't	36,680	-	
Deposits w/Others	96,000	-	
Accounts Payable	-	(557,638)	
Contract Retention Payable	-	(132,910)	
Encumbrances (Contract)	(131,872)	(2,106,520)	
Total Beginning Retained Earnings	\$10,245,021	\$6,671,868	

FY 2017-18 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - REVENUE BONDS

Fund/Department ID: 43305-33080800

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled Cash	\$6,600	\$9,790	\$3,190	48.33%
Subtotal Use of Money	\$6,600	\$9,790	\$3,190	48.33%

Other Financing Sources

47101 (4625) Transfers In -within a Fund	\$1,664,696	\$1,662,428	(\$2,268)	(0.14%)
Subtotal Other Financing Sources	\$1,664,696	\$1,662,428	(\$2,268)	(0.14%)

TOTAL REVENUES	\$1,671,296	\$1,672,218	\$922	0.06%
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EXPENDITURES:

SERVICES AND SUPPLIES

51242 (6635) Bank Charges	\$8,000	\$6,500	(\$1,500)	(18.75%)
Subtotal Services and Supplies	\$8,000	\$6,500	(\$1,500)	(18.75%)

OTHER CHARGES

53103 (7920&7972) Interest on LT Debt	\$586,696	\$551,010	(\$35,686)	(6.08%)
Subtotal Other Charges	\$586,696	\$551,010	(\$35,686)	(6.08%)

OTHER FINANCING USES

57011 (8625) Transfers out-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A

ADMINISTRATIVE CONTROL ACCOUNT

59004 (9200) Admin Control Acct	\$1,070,000	\$1,110,000	\$40,000	3.74%
59005 (9209) Admin Control Acct-Cleari	(\$1,070,000)	(1,110,000)	(40,000)	3.74%
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$594,696	\$557,510	(\$37,186)	(6.25%)
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TOTAL NET COST	(\$1,076,600)	(\$1,114,708)	(\$38,108)	3.54%
<i>(Expenditures Minus Revenues)</i>				

FY 2017-18 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	\$1,100,000
Projected Interest Rate	<u>0.89%</u>
Projected/Planned Interest on Pooled Cash	\$9,790

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%.

Character Title: Other Financing Uses

Character No.: 43305-33080800-57

57011 (8625) Transfers out-within a Fund

No transfers are planned for FY 17-18.

Character Title: Administrative Control Account

Character No.: 43305-33080800-59

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. The remaining portion of the 1998 bonds was refunded by the 2013 bond issue. Principle payments began October 2006 and will continue until maturity in October 2018.

2005 Refunding Issue	\$10,240,000
Total FY 07-08 through FY 14-15 Principal Payments:	(6,585,000)
FY 15-16 Principal Payments:	<u>(860,000)</u>
Outstanding Loan Amount	\$2,795,000

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

2013 Bond Issue	\$12,105,000
Total FY 13-14 through FY 14-15 Principal Payments:	(325,000)
FY 15-16 Principal Payments:	<u>(170,000)</u>
	\$11,610,000

Principal payments began August 2013 and will continue until maturity in August 2037.

59005 (9209) Admin Control Acct-Clearing

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

FY 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$1,143,575	\$1,190,718	\$1,174,344
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,671,344	1,677,581	\$1,672,218
Expenditures - (Decrease) retained earnings	(557,185)	(594,696)	(\$557,510)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	1,114,159	1,082,885	1,114,708
Adjustments to Reserves/Encumbrances:			
9200 Enterprise - Principal	(1,030,000)	(1,070,000)	(1,110,000)
Change in Mature Bonds Payable	2,712	-	-
Change in Cash w/Trustee Rsvd for Debt Service	(469)	-	-
Amortization of Debt Refunding	58,064	58,064	58,067
Amortization of Premium	(62,545)	(62,545)	(62,545)
Discount on Revenue Bonds Payable	5,222	5,222	5,300
Change in Matured Bonds Payable	(40,000)	(30,000)	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(1,067,016)	(1,099,259)	(1,109,178)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$1,190,718	\$1,174,344	\$1,179,874
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$47,143	(\$16,374)	\$5,530
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/15</u>	<u>7/1/16</u>	
Cash	\$2,391,107	\$2,468,787	
Cash with Trustee	876,345	876,798	
Cash with Trustee Res for Debt Service	(876,329)	(876,798)	
Matured Principal Payable	(1,030,000)	(1,070,000)	
Interest Payable	(217,549)	(208,069)	
Total Beginning Fund Balance	\$1,143,575	\$1,190,718	

FY 2017-18 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN RESERVE

Fund/Department ID: 43308-33080600

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled Cash	\$1,620	\$2,403	\$783	48.33%
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Subtotal Use of Money	\$1,620	\$2,403	\$783	48.33%
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Other Financing Sources

47101 (4625) Transfers In-within a Fund	\$34,984	\$0	(\$34,984)	(100.00%)
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Subtotal Other Financing Sources	\$34,984	\$0	(\$34,984)	(100.00%)
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TOTAL REVENUES	\$36,604	\$2,403	(\$34,201)	(93.44%)
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TOTAL NET COST	(\$36,604)	(\$2,403)	\$34,201	(93.44%)
<i>(Expenditures Minus Revenues)</i>				

FY 2017-18 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	\$270,000
Projected Interest Rate	0.89%
Projected/Planned Interest on Pooled Cash	\$2,403

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 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$287,773	\$325,001	\$362,239
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	36,940	37,238	2,403
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	36,940	37,238	2,403
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	288	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	288	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$325,001	\$362,239	\$364,642
Total Increase/(Decrease) in Retained Earnings for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$37,228	\$37,238	\$2,403
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/15</u>	<u>7/1/16</u>	
Cash	\$287,773	\$325,001	
Total Beginning Fund Balance	\$287,773	\$325,001	

FY 2017-18 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - SRF LOAN

Fund/Department ID: 43307-33080500

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled Cash	\$960	\$1,424	\$464	48.33%
Subtotal Use of Money	\$960	\$1,424	\$464	48.33%

Other Financing Sources

47101 (4625) Transfers In -within a Fund	\$442,974	\$442,973	(\$1)	(0.00%)
Subtotal Other Financing Sources	\$442,974	\$442,973	(\$1)	(0.00%)

TOTAL REVENUES	\$443,934	\$444,397	\$463	0.10%
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EXPENDITURES:

OTHER CHARGES

53103 (7920&7972) Interest on LT Debt	\$105,789	\$98,032	(\$7,757)	(7.33%)
Subtotal Other Charges	\$105,789	\$98,032	(\$7,757)	(7.33%)

OTHER FINANCING USES

57011 (8625) Transfers out-within a Fund	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A

ADMINISTRATIVE CONTROL ACCOUNT

59004 (9200) Admin Control Acct	\$337,185	\$344,941	\$7,756	2.30%
59005 (9209) Admin Control Acct-Clearin	(337,185)	(344,941)	(7,756)	2.30%
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$105,789	\$98,032	(\$7,757)	(7.33%)
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$338,145)	(\$346,365)	(\$8,220)	2.43%
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FY 2017-18 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	\$160,000
Projected Interest Rate	0.89%
Projected/Planned Interest on Pooled Cash	<u>\$1,424</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 17-18.

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 15-16 Principal Payments:	(2,408,087)
FY 16-17 Principal Payments:	(337,185)
Outstanding Loan Amount	<u><u>\$4,262,230</u></u>

59005 (9209) Admin Control Acct-Clearing

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

FY 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$177,518	\$179,198	\$175,500
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	444,949	447,031	444,397
Expenditures - (Decrease) retained earnings	(106,768)	(105,789)	(98,032)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	338,181	341,242	346,365
Adjustments to Reserves/Encumbrances:			
9200 Enterprise - Principal	(329,604)	(337,185)	(344,941)
Unrealized Gain/Loss	684	-	-
Increase in Matured Bonds Payable	(7,581)	(7,755)	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(336,501)	(344,940)	(344,941)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$179,198	\$175,500	\$176,924
Total Increase/(Decrease) in Retained Earnings for Fiscal Year			
<i>(Difference between Beginning and Ending Balance)</i>	\$1,680	(\$3,698)	\$1,424
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/15</u>	<u>7/1/16</u>	
Cash	\$582,700	\$585,362	
Interest Payable	(75,578)	(68,979)	
Due to Other Government	(329,604)	(337,185)	
Total Beginning Fund Balance	\$177,518	\$179,198	

FY 2017-18 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Fund: SONOMA VALLEY CSD - STATE LOAN RESERVE

Fund/Department ID: 43309-33080700

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
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REVENUES:

USE OF MONEY

44002 (1700) Interest on Pooled Cash	\$888	\$1,317	\$429	48.33%
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Subtotal Use of Money	\$888	\$1,317	\$429	48.33%
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Other Financing Sources

47101 (4625) Transfers In -within a Fund	\$0	\$0	\$0	N/A
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Subtotal Other Financing Sources	\$0	\$0	\$0	N/A
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TOTAL REVENUES	\$888	\$1,317	\$429	48.33%
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TOTAL NET COST	(\$888)	(\$1,317)	(\$429)	48.33%
<i>(Expenditures Minus Revenues)</i>				

FY 2017-18 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	\$148,000
Projected Interest Rate	<u>0.89%</u>
Projected/Planned Interest on Pooled Cash	\$1,317

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 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$153,470	\$154,639	\$155,559
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	989	920	1,317
Expenditures - (Decrease) retained earnings	-	-	-
Net Surplus or Deficit - Inc/(Dec) to retained earnings	989	920	1,317
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	180	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	180	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$154,639	\$155,559	\$156,876
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$1,169	\$920	\$1,317
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/15</u>	<u>7/1/16</u>	
Cash	\$153,470	\$154,639	
Total Beginning Fund Balance	\$153,470	\$154,639	

FY 2017-18 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

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

Sub-Object No. and Title	Adopted 2016-17	Requested 2017-18	Difference	Percent Change
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REVENUES:

45306 Mitigation Fees-Residential	\$30,000	\$30,000	\$0	0.00%
Subtotal	\$30,000	\$30,000	\$0	0.00%

TOTAL REVENUES	\$30,000	\$30,000	\$0	0.00%
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EXPENDITURES:

SERVICES AND SUPPLIES

51061 (6140) Maintenance - Equipment	\$30,000	\$30,000	\$0	0.00%
Subtotal Services and Supplies	\$30,000	\$30,000	\$0	0.00%

TOTAL EXPENDITURES	\$30,000	\$30,000	\$0	0.00%
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TOTAL NET COST	\$0	\$0	\$0	N/A
<i>(Expenditures Minus Revenues)</i>				

**FY 2017-18 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 2017-18 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 15-16	Estimated FY 16-17	Requested FY 17-18
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$0	\$181,091	\$0
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	181,341	30,000	30,000
Expenditures - (Decrease) retained earnings	0	(30,000)	(30,000)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	181,341	-	-
Adjustments to Reserves/Encumbrances:			
Unrealized Gain/loss	(250)		
Net Adjustment - Increase/(Decrease) to Retained Earnings	(250)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$181,091	\$181,091	\$0
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$181,091	\$0	\$0
<u>Fund Balance Components at Beginning of FY</u>	7/1/15	7/1/16	
Cash	\$0	\$181,091	
Total Beginning Fund Balance	\$0	\$181,091	