A. Program Description

This budget finances administration of a collection system and pumping stations which serve the South Park area. Raw sewage is transported to the City of Santa Rosa (City) for treatment and disposal. Treatment and disposal are covered by an agreement between the two entities.

B. Financial Summary

<table>
<thead>
<tr>
<th>Section</th>
<th>FY 13-14 Adopted</th>
<th>FY 14-15 Requested</th>
<th>Percent Change</th>
<th>FY 13-14 Adopted</th>
<th>FY 14-15 Requested</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>$4,080,648</td>
<td>$3,595,119</td>
<td>(11.90%)</td>
<td>$741,155</td>
<td>$159,925</td>
<td>(78.42%)</td>
</tr>
<tr>
<td>Revenue Bonds</td>
<td>$132,033</td>
<td>$131,583</td>
<td>(0.34%)</td>
<td>($131,593)</td>
<td>($141,620)</td>
<td>7.62%</td>
</tr>
<tr>
<td>Construction</td>
<td>2,110,000</td>
<td>845,000</td>
<td>(59.95%)</td>
<td>1,107,790</td>
<td>310,800</td>
<td>71.94%</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>$6,322,681</td>
<td>$4,571,702</td>
<td>(27.69%)</td>
<td>$1,717,352</td>
<td>$329,105</td>
<td>(80.84%)</td>
</tr>
</tbody>
</table>

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

<table>
<thead>
<tr>
<th>Workload Indicator</th>
<th>FY 12-13 Actual</th>
<th>FY 13-14 Budget Estimate</th>
<th>FY 13-14 Revised Estimate</th>
<th>FY 14-15 Projected</th>
<th>Change from FY 13-14 Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ESDs</td>
<td>3,973</td>
<td>3,990</td>
<td>4,019</td>
<td>4,019</td>
<td>0.73%</td>
</tr>
<tr>
<td>TOTAL APNs</td>
<td>2,215</td>
<td>2,224</td>
<td>2,215</td>
<td>2,215</td>
<td>(0.40%)</td>
</tr>
</tbody>
</table>

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 14-15 annual service charges is $851, representing a 2.5% increase from FY 13-14. Annual sewer service charge revenue, adjusted for the anticipated number of ESDs and an estimated delinquency factor, is projected to increase from the FY 13-14 budget. This revenue change is due to the rate increase.

The South Park County Sanitation District (District) provides service to the South Park area using a gravity collection system. Wastewater from the District is treated and disposed of by the City at the Laguna Subregional Treatment Plant on Llano Road. In July of 1996, the City accepted responsibility, under contract, for the operation and routine maintenance of the collection system.

An agreement between the City and District was executed in 2012 relating to: (1) the possible eventual dissolution of the District and transfer of the facilities to the City, (2) the District’s debt payment obligations, and potential origination of new debt, (3) District infrastructure improvements which are currently planned or may be planned in the future, (4) issues related to Clean Up and Abatement Order No. R1-2007-0040 from the North Coast Regional Water Quality Control Board, (5) the changeover of billings and collections, and (6) the responsibilities related to operation and maintenance of the District facilities.
The District is currently constructing the replacement of approximately 6,474 linear feet of sewer main and appurtenant manholes and sewer laterals for the Gloria Drive-Meerkland Ct. project. The District is planning of replace three sections of the collection system between FY 2014-15 and FY 2018-19. Identified projects include: Blackwell Tract, W. Robles Avenue, and E. Robles Avenue. The District issued $3.1 million in revenue bonds in FY 2000-01 to help meet its capital replacement obligations along with the halogenated volatile organic compounds (HVOC) remediation costs explained below. However, the revenue from those bonds was only sufficient to cover a portion of the capital replacement and HVOC remediation costs. The District may find it necessary to pursue future debt obligations to fund necessary infrastructure improvement projects.

On December 22, 1998 the NCRWQCB released a draft Cleanup and Abatement Order (CAO) for HVOC found in soil and groundwater in the vicinity of Sebastopol Road and West Avenue in the South Park CSD service area. The draft CAO specified that HVOCs found in the soil and groundwater are the result of the discharge of these chemicals from dry cleaning operations into the South Park CSD collection system. The draft CAO further specifies that the HVOCs subsequently leaked from the collection system to adjacent soil and groundwater. Potential costs for investigation, remediation, and legal work related to the draft CAO are substantial ($2-10 million). In FY 99-00, South Park CSD received a $500,000 loan from the County of Sonoma General Fund to assist in the first phase of the Plan of Action for HVOC Investigation and Mitigation which South Park CSD has repaid as of FY 04-05. The South Park CSD, County of Sonoma, and the NCRWQCB continue to work cooperatively to deal with this issue.

F. **Summary of Reduction Options**
   No reduction options are proposed.

G. **Attachments**
   - Summary of Revenues and Expenditures
   - Character Justification
   - Statement of Special Fund Activity
## FY 2014-15 BUDGET

### SUMMARY OF REVENUES AND EXPENDITURES

**Section Title:** SOUTH PARK CSD - OPERATIONS  
**Section/Index No:** 654103

<table>
<thead>
<tr>
<th>Sub-Object No. and Title</th>
<th>Adopted 2013-14</th>
<th>Requested 2014-15</th>
<th>Difference</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TAXES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1001 Flat Charges - CY</td>
<td>$3,167,263</td>
<td>$3,271,338</td>
<td>$104,075</td>
<td>3.29%</td>
</tr>
<tr>
<td>1061 Flat Charges - PY</td>
<td>70,000</td>
<td>70,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>1120 Penalties / Costs on Taxes</td>
<td>16,000</td>
<td>16,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Subtotal Taxes</strong></td>
<td>$3,253,263</td>
<td>$3,357,338</td>
<td>$104,075</td>
<td>3.20%</td>
</tr>
<tr>
<td><strong>USE OF MONEY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1700 Interest on Pooled Cash</td>
<td>$22,750</td>
<td>$13,200</td>
<td>($9,550)</td>
<td>(41.98%)</td>
</tr>
<tr>
<td><strong>Subtotal Use of Money</strong></td>
<td>$22,750</td>
<td>$13,200</td>
<td>($9,550)</td>
<td>(41.98%)</td>
</tr>
<tr>
<td><strong>CHARGES FOR SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3400 Sanitation Services</td>
<td>$46,480</td>
<td>$47,656</td>
<td>$1,176</td>
<td>2.53%</td>
</tr>
<tr>
<td><strong>Subtotal Charges for Services</strong></td>
<td>$46,480</td>
<td>$47,656</td>
<td>$1,176</td>
<td>2.53%</td>
</tr>
<tr>
<td><strong>MISCELLANEOUS REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4115 Santa Rosa Rebate</td>
<td>$17,000</td>
<td>$17,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Subtotal Miscellaneous Revenue</strong></td>
<td>$17,000</td>
<td>$17,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>ADMINISTRATIVE CONTROL ACCOUNT</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td>4200 ENT - LTD Proceeds</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td>4209 ENT - LTD Proceeds - Clearing</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Subtotal Admin. Control Account</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$3,339,493</td>
<td>$3,435,194</td>
<td>$95,701</td>
<td>2.87%</td>
</tr>
</tbody>
</table>

**EXPENDITURES:**

<table>
<thead>
<tr>
<th>Sub-Object No. and Title</th>
<th>Adopted 2013-14</th>
<th>Requested 2014-15</th>
<th>Difference</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SERVICES AND SUPPLIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6430 Printing Services</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6516 Data Processing Services</td>
<td>2,000</td>
<td>2,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6521 County Services</td>
<td>3,000</td>
<td>3,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6523 District Operations</td>
<td>40,000</td>
<td>40,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6540 Contract Services</td>
<td>500,000</td>
<td>520,000</td>
<td>20,000</td>
<td>4.00%</td>
</tr>
<tr>
<td>6570 Consultant Services</td>
<td>10,000</td>
<td>10,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6573 Administration Costs</td>
<td>27,000</td>
<td>27,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6589 Permits</td>
<td>4,000</td>
<td>4,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6610 Legal Services</td>
<td>10,000</td>
<td>10,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6630 Audit / Accounting Services</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sub-Object No. and Title</td>
<td>Adopted 2013-14</td>
<td>Requested 2014-15</td>
<td>Difference</td>
<td>Percent Change</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>-----------------</td>
<td>-------------------</td>
<td>------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>SERVICES AND SUPPLIES (cont'd)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6697   EFS Costs</td>
<td>0</td>
<td>536</td>
<td>536</td>
<td>N/A</td>
</tr>
<tr>
<td>7000   Special Departmental Expense</td>
<td>50,000</td>
<td>50,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>7206   Equipment Usage Charge</td>
<td>1,000</td>
<td>1,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>7247   Water Conservation</td>
<td>10,000</td>
<td>10,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Subtotal Services and Supplies</strong></td>
<td>$674,000</td>
<td>$694,536</td>
<td>$20,536</td>
<td>3.05%</td>
</tr>
<tr>
<td><strong>OTHER CHARGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7961   Sewer Capacity Rights</td>
<td>$1,750,000</td>
<td>$1,750,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>7980   Depreciation</td>
<td>369,615</td>
<td>354,000</td>
<td>(15,615)</td>
<td>(4.22%)</td>
</tr>
<tr>
<td><strong>Subtotal Other Charges</strong></td>
<td>$2,119,615</td>
<td>$2,104,000</td>
<td>($15,615)</td>
<td>(0.74%)</td>
</tr>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9480   Intangible Assets</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Subtotal Fixed Assets</strong></td>
<td>$5,000</td>
<td>$5,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>OTHER FINANCING USES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8625   OT - W/in Special Dist - BOS</td>
<td>$1,262,033</td>
<td>$771,583</td>
<td>($490,450)</td>
<td>(38.86%)</td>
</tr>
<tr>
<td><strong>Subtotal Other Financing Uses</strong></td>
<td>$1,262,033</td>
<td>$771,583</td>
<td>($490,450)</td>
<td>(38.86%)</td>
</tr>
<tr>
<td><strong>APPROPRIATIONS FOR CONT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9000   Approp for Contingencies</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Subtotal Approp for Contingencies</strong></td>
<td>$20,000</td>
<td>$20,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$4,080,648</td>
<td>$3,595,119</td>
<td>($485,529)</td>
<td>(11.90%)</td>
</tr>
<tr>
<td><strong>TOTAL NET COST</strong></td>
<td>$741,155</td>
<td>$159,925</td>
<td>($581,230)</td>
<td>(78.42%)</td>
</tr>
</tbody>
</table>

(Expenditures Minus Revenues)
1001  Flat Charges - CY
Flat charge revenue from annual service charges is expected to increase from the adopted FY 13-14 budget. The rate will increase 2.5%, from $830 to $851.

ESDs times annual rate: 3,963 x $851 = 3,372,513

Less Estimated Delinquency Factor: 3% (101,175)

$3,271,338

(See SubObject 3400 for Total ESDs)

1061  Flat Charges - PY
This item records the estimated delinquent amount of prior years sewer service charges.

1120  Penalties/Costs on Taxes
This item records penalties paid on delinquent sewer service charges.

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 $2,200,000
Projected Interest Rate 0.60%
Projected/Planned Interest on Pooled Cash $13,200

3400  Sanitation Services
This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

Based on projected FY 14-15 ESDs, the District will experience an increase in revenue from invoiced entities.

ESDs x Annual Charge 56 x $851 = $47,656
**4115 Santa Rosa Rebate**
This account records the annual rebate received from the City of Santa Rosa in accordance with the City of Santa Rosa’s Subregional Agreement. The rebate amount is the adjustment between projected and actual costs for operation and maintenance of the Subregional Wastewater System.

**4200 ENT-LTD Proceeds**
No Long Term Debt proceeds are anticipated in FY 14-15.

**4209 ENT-LTD Proceeds - Clearing**
This is the clearing account for sub-object 4200.

**6430 Printing Services**
This item is requested to cover the costs of printing services, which are primarily furnished by the County Reprographics Department.

**6516 Data Processing Services**
This request covers the costs of various data processing supplies and services.

**6521 County Services**
This item records the expense for special district accounting services.

**6523 District Operations**
This account is used primarily to record staff time associated with maintaining the sanitation master user listing for the District, as well as management and administrative time associated with negotiating and administering agreements with the City. This increase in expenditures is due to the additional time required to negotiate agreements with the City of Santa Rosa.

**6540 Contract Services**
This account records the cost of collection system maintenance paid to the City of Santa Rosa.

**6570 Consultant Services**
This account records the costs of miscellaneous services provided by outside consultant.

**6630 Audit / Accounting Services**
This account represents the cost of auditing and accounting services provided by an outside certified public accounting service.
6697 EFS Costs
This item represents the share of costs for the County's future operating system.

7000 Special Departmental Expense
These costs are for legal counsel to provide legal advice and assistance in advancing a regional solution to the Roseland Area HVOC plume investigation and remediation, as well as management and administrative time associated with the groundwater clean-up efforts.

7206 Equipment Usage Charges
This item is requested to provide funds for equipment usage.

7247 Water Conservation
This account records the cost of the Water Conservation Program.

7961 Sewer Capacity Rights
South Park CSD participates with the cities of Santa Rosa, Rohnert Park, Cotati and Sebastopol in the Santa Rosa Subregional Sewage System. Santa Rosa provides the treatment for raw sewage for the other participating entities. This payment, required by agreement, is South Park’s share (based on capacity needs) of the cost of operations and improvements to the subregional facilities and the bonds used to finance them. Prior to the annexation of the Roseland area of South Park by the City of Santa Rosa, the South Park CSD’s sewer capacity charge was based on a capacity in the Subregional Wastewater Treatment Plant of 700,000 gallons per day.

7980 Depreciation
Generally Accepted Accounting Principles require that depreciation be expensed each year.

9480 Intangible Assets
This account records sewer easement dedications.

8625 OT - W/in Special Dist - BOS
This account reflects the transfer of cash from the Operations Fund to the 2000 Revenue Bond Fund necessary to satisfy the annual debt service payment on the bonds ($271,583). The amount to be transferred is determined from the debt service schedule for the bonds. In addition, $500,000 will be transfer to the Construction Fund for planned capital projects.

9000 Appropriations for Contingencies
This account provides funding for unanticipated expenditures or revenue shortfalls.
### FY 2014-15 BUDGET
#### STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** South Park CSD - Operations  
**Index No.:** 654103

<table>
<thead>
<tr>
<th>DESCRIPTION OF FUND ACTIVITY</th>
<th>Actual FY 12-13</th>
<th>Estimated FY 13-14</th>
<th>Requested FY 14-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undesignated/Unreserved <strong>BEGINNING</strong> Retained Earnings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available for Budgeting (See Detailed Components Below)</td>
<td>$3,507,238</td>
<td>$2,232,740</td>
<td>$1,429,792</td>
</tr>
<tr>
<td><strong>Annual Revenues and Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues - Increase retained earnings</td>
<td>3,261,226</td>
<td>3,406,576</td>
<td>3,435,194</td>
</tr>
<tr>
<td>Expenditures - (Decrease) retained earnings</td>
<td>(4,897,550)</td>
<td>(4,579,139)</td>
<td>(3,595,119)</td>
</tr>
<tr>
<td><strong>Net Surplus or Deficit</strong> - Inc/(Dec) to retained earnings</td>
<td>(1,636,324)</td>
<td>(1,172,563)</td>
<td>(159,925)</td>
</tr>
<tr>
<td><strong>Adjustments to Reserves/Encumbrances:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7980 Depreciation</td>
<td>342,119</td>
<td>369,615</td>
<td>354,000</td>
</tr>
<tr>
<td>Change in Reserve for Water Conservation</td>
<td>19,706</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change In Encumbrances</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Adjustment</strong> - Increase/(Decrease) to Retained Earnings</td>
<td>361,825</td>
<td>369,615</td>
<td>354,000</td>
</tr>
<tr>
<td>Undesignated/Unreserved <strong>ENDING</strong> Retained Earnings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available for Budgeting</td>
<td>$2,232,740</td>
<td>$1,429,792</td>
<td>$1,623,867</td>
</tr>
</tbody>
</table>

**Total Increase/(Decrease) in Retained Earnings for Fiscal Year**  
*(Difference between Beginning and Ending Balance)*  

($1,274,498)  
($802,948)  
$194,075

**Retained Earnings Components at Beginning of FY**  

<table>
<thead>
<tr>
<th></th>
<th>7/1/12</th>
<th>7/1/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$3,723,026</td>
<td>$2,282,615</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>119,810</td>
<td>112,027</td>
</tr>
<tr>
<td>Due from Other Governments</td>
<td>-</td>
<td>19,706</td>
</tr>
<tr>
<td>Vouchers Payable</td>
<td>(154,074)</td>
<td>-</td>
</tr>
<tr>
<td>Contract Retention Payable</td>
<td>-</td>
<td>(84)</td>
</tr>
<tr>
<td>Encumbrances</td>
<td>(181,524)</td>
<td>(181,524)</td>
</tr>
</tbody>
</table>

**Total Beginning Retained Earnings**  

$3,507,238  
$2,232,740
### FY 2014-15 BUDGET

**SUMMARY OF REVENUES AND EXPENDITURES**

**Section Title:** SOUTH PARK CSD - 2000 REVENUE BONDS  
**Section/Index No:** 654202

<table>
<thead>
<tr>
<th>Sub-Object No. and Title</th>
<th>Adopted 2013-14</th>
<th>Requested 2014-15</th>
<th>Difference</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>USE OF MONEY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1700 Interest on Pooled Cash</td>
<td>$1,593</td>
<td>$1,620</td>
<td>$27</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Subtotal Use of Money</strong></td>
<td>$1,593</td>
<td>$1,620</td>
<td>$27</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4625 OT - W/in Special Dist - BOS</td>
<td>$262,033</td>
<td>$271,583</td>
<td>$9,550</td>
<td>3.64%</td>
</tr>
<tr>
<td><strong>Subtotal Other Financing Sources</strong></td>
<td>$262,033</td>
<td>$271,583</td>
<td>$9,550</td>
<td>3.64%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$263,626</td>
<td>$273,203</td>
<td>$9,577</td>
<td>3.63%</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SERVICES &amp; SUPPLIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6635 Fiscal Agent Fees</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>6640 Debt Issuance Cost</td>
<td>0</td>
<td>4,380</td>
<td>4,380</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Subtotal Services &amp; Supplies</strong></td>
<td>$10,000</td>
<td>$14,380</td>
<td>$4,380</td>
<td>43.80%</td>
</tr>
<tr>
<td><strong>OTHER CHARGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7920 Interest</td>
<td>$122,033</td>
<td>$117,203</td>
<td>($4,830)</td>
<td>(3.96%)</td>
</tr>
<tr>
<td><strong>Subtotal Other Charges</strong></td>
<td>$122,033</td>
<td>$117,203</td>
<td>($4,830)</td>
<td>(3.96%)</td>
</tr>
<tr>
<td><strong>OTHER FINANCING USES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8625 OT-Within SP Dist-BOS</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Subtotal Other Financing Uses</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>ADMIN CONTROL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9200 ENT - Principal</td>
<td>$130,000</td>
<td>$140,000</td>
<td>$10,000</td>
<td>7.69%</td>
</tr>
<tr>
<td>9209 ENT - Principal Clearing</td>
<td>(130,000)</td>
<td>(140,000)</td>
<td>(10,000)</td>
<td>7.69%</td>
</tr>
<tr>
<td><strong>Subtotal Admin Control</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>$132,033</td>
<td>$131,583</td>
<td>($450)</td>
<td>(0.34%)</td>
</tr>
<tr>
<td><strong>TOTAL NET COST</strong></td>
<td>($131,593)</td>
<td>($141,620)</td>
<td>($10,027)</td>
<td>7.62%</td>
</tr>
</tbody>
</table>

*(Total expenses minus revenues)*
<table>
<thead>
<tr>
<th>Character Title</th>
<th>Character No.</th>
<th>Description</th>
</tr>
</thead>
</table>
| **1700 Interest on Pooled Cash** | 654202-17 | 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: 0.60%  
- Projected/Planned Interest on Pooled Cash: $1,620 |
<p>| <strong>4625 OT - Within Sp District</strong> | 654202-46 | This account will record the operating transfer from the Operations Fund necessary to meet the annual debt service requirements for the bonds. |
| <strong>6635 Fiscal Agent Fees</strong> | 654202-60 | This account records the annual administrative fees from the trustee for the 2005 Revenue Bonds. |
| <strong>6640 Debt Issuance Costs</strong> | 654202-60 | This account records costs associated with the issuance of new revenue bonds. There are no new bonds proposed for FY 14-15. |
| <strong>7920 Interest</strong> | 654202-75 | This account reflects the interest expense of the refunded 2005 Revenue Bonds. Interest on Serial Bond range from 2.6% to 5.0%. |
| <strong>8625 OT - Within Sp Dist</strong> | 654202-86 | This account reflects the transfer of funds to the Construction Fund to finance the Capital Replacement Program. There is no planned transfer for FY 14-15. |</p>
<table>
<thead>
<tr>
<th>Character No.</th>
<th>Character Title</th>
<th>Administrative Control Account</th>
<th>Character No.: 654202-92</th>
</tr>
</thead>
</table>

### 9200 Ent - Principal

This account reflects the principal payment for the 2005 Revenue Bonds issued in early FY 05-06 to finance the Capital Replacement Program. Payments began in October 2006 and will continue until October 2026.

- **Original Issue**: $3,250,000
- **Total FY 05-06 through FY 12-13 Principal Payments**: $(810,000)$
- **FY 13-14 Principal Payment**: $(130,000)$

**Outstanding Loan Amount**: $2,310,000

### 9219 Ent - Principal

This is the clearing account for sub-object 9200, Ent - Principal.
### FY 2014-15 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** South Park CSD - 2000 Revenue Bonds  
**Index No.:** 654202

<table>
<thead>
<tr>
<th>DESCRIPTION OF FUND ACTIVITY</th>
<th>Actual FY 12-13</th>
<th>Estimated FY 13-14</th>
<th>Requested FY 14-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undesignated/Unreserved <strong>BEGINNING</strong> Retained Earnings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available for Budgeting (See Detailed Components Below)</td>
<td>($1,957)</td>
<td>$21,247</td>
<td>$37,248</td>
</tr>
<tr>
<td><strong>Annual Revenues and Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues - Increase retained earnings</td>
<td>266,844</td>
<td>263,697</td>
<td>273,203</td>
</tr>
<tr>
<td>Expenditures - (Decrease) retained earnings</td>
<td>(129,102)</td>
<td>(132,033)</td>
<td>(131,583)</td>
</tr>
<tr>
<td><strong>Net Surplus or Deficit</strong> - Inc/(Dec) to retained earnings</td>
<td>137,742</td>
<td>131,664</td>
<td>141,620</td>
</tr>
<tr>
<td><strong>Adjustments to Reserves/Encumbrances:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of Debt Issuance Costs</td>
<td>4,376</td>
<td>-</td>
<td>4,380</td>
</tr>
<tr>
<td>Amortization of Bond Refunding</td>
<td>14,337</td>
<td>14,337</td>
<td>14,337</td>
</tr>
<tr>
<td>Amortization of Bond Premium</td>
<td>(3,252)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increase in Matured Bonds Payable</td>
<td>(5,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>9200 Ent Principal</td>
<td>(125,000)</td>
<td>(130,000)</td>
<td>(140,000)</td>
</tr>
<tr>
<td><strong>Net Adjustment</strong> - Inc/(Dec) to Retained Earnings</td>
<td>(114,539)</td>
<td>(115,663)</td>
<td>(121,283)</td>
</tr>
<tr>
<td><strong>Undesignated/Unreserved <strong>ENDING</strong> Retained Earnings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available for Budgeting</td>
<td>$21,247</td>
<td>$37,248</td>
<td>$57,585</td>
</tr>
</tbody>
</table>

**Total Increase/(Decrease) in Retained Earnings for Fiscal Year**  
*(Difference between Beginning and Ending Balance)*  
$23,203 | $16,001 | $20,337

<table>
<thead>
<tr>
<th>Retained Earnings Components at Beginning of FY</th>
<th>7/1/12</th>
<th>7/1/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$250,603</td>
<td>$277,744</td>
</tr>
<tr>
<td>Cash with Trustee</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash Restricted for Debt Services</td>
<td>(99,005)</td>
<td>(99,005)</td>
</tr>
<tr>
<td>Interest Payable</td>
<td>(28,555)</td>
<td>(27,492)</td>
</tr>
<tr>
<td>Matured Bonds Payable</td>
<td>(125,000)</td>
<td>(130,000)</td>
</tr>
<tr>
<td><strong>Total Beginning Retained Earnings</strong></td>
<td>($1,957)</td>
<td>$21,247</td>
</tr>
</tbody>
</table>
**FY 2014-15 BUDGET**

**SUMMARY OF REVENUES AND EXPENDITURES**

Section Title: SOUTH PARK CSD - CONSTRUCTION  
Section/Index No: 654301

<table>
<thead>
<tr>
<th>Sub-Object No. and Title</th>
<th>Adopted 2013-14</th>
<th>Requested 2014-15</th>
<th>Difference</th>
<th>Percent Change</th>
</tr>
</thead>
</table>

### REVENUES:

#### USE OF MONEY

<table>
<thead>
<tr>
<th>1700 Interest on Pooled Cash</th>
<th>$2,210</th>
<th>$34,200</th>
<th>$31,990</th>
<th>1447.51%</th>
</tr>
</thead>
</table>

**Subtotal Use of Money**  
$2,210 | $34,200 | $31,990 | 1447.51%

#### MISCELLANEOUS REVENUE

<table>
<thead>
<tr>
<th>4303 State Grants</th>
<th>$0</th>
<th>$0</th>
<th>$0</th>
<th>N/A</th>
</tr>
</thead>
</table>

**Subtotal Miscellaneous Revenue**  
$0 | $0 | $0 | N/A

#### OTHER FINANCING SOURCES

<table>
<thead>
<tr>
<th>4625 OT - W/in Special Dist - BOS</th>
<th>$1,000,000</th>
<th>$500,000</th>
<th>($500,000)</th>
<th>(50.00%)</th>
</tr>
</thead>
</table>

**Subtotal Other Financing Sources**  
$1,000,000 | $500,000 | ($500,000) | (50.00%)

**TOTAL REVENUES**  
$1,002,210 | $534,200 | ($468,010) | (46.70%) |

### EXPENDITURES:

#### OTHER CHARGES

<table>
<thead>
<tr>
<th>8010 Contribution to Non-Co Gov't</th>
<th>$1,200,000</th>
<th>$0</th>
<th>($1,200,000)</th>
<th>(100.00%)</th>
</tr>
</thead>
</table>

**Subtotal Other Charges**  
$1,200,000 | $0 | ($1,200,000) | (100.00%)

#### FIXED ASSETS

<table>
<thead>
<tr>
<th>9142 Capital Replacement Program</th>
<th>$910,000</th>
<th>$0</th>
<th>($910,000)</th>
<th>(100.00%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9400 Infrastructure</td>
<td>0</td>
<td>845,000</td>
<td>845,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Subtotal Fixed Assets**  
$910,000 | $845,000 | ($65,000) | (7.14%)

**TOTAL EXPENDITURES**  
$2,110,000 | $845,000 | ($1,265,000) | (59.95%)

**TOTAL NET COST**  
(Expenditures Minus Revenues)  
$1,107,790 | $310,800 | ($796,990) | 71.94%
**FY 2014-15 BUDGET**

**CHARACTER JUSTIFICATION**

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

**Section Title:** South Park CSD - Construction

**Character Title:** Use of Money

<table>
<thead>
<tr>
<th>Character Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1700 Interest on Pooled Cash</strong></td>
<td><strong>$34,200</strong></td>
</tr>
</tbody>
</table>

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:** $5,700,000
- **Projected Interest Rate:** 0.60%
- **Projected/Planned Interest on Pooled Cash:** $34,200

The fund balance remaining in the Construction Fund is expected to be reduced as a result of work required to be completed prior to dissolution of the District.

**Character Title:** Miscellaneous Revenue

<table>
<thead>
<tr>
<th>Character Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4303 State Grants</strong></td>
<td><strong>No grants are anticipated for FY 14-15.</strong></td>
</tr>
</tbody>
</table>

**Character Title:** Other Financing Sources

<table>
<thead>
<tr>
<th>Character Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4625 OT - W/in Special Dist - BOS</strong></td>
<td><strong>This account reflects the transfer of cash from the Operations Fund to the Construction Fund to finance the Capital Replacement Program.</strong></td>
</tr>
</tbody>
</table>

**Character Title:** Fixed Assets

<table>
<thead>
<tr>
<th>Character Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>9400 Infrastructure</strong></td>
<td><strong>$845,000</strong></td>
</tr>
</tbody>
</table>

This account is used for expenses associated with facility improvement or expansion. The following projects are planned for FY 14-15:

- **Gloria Meekland Collection System Replacement**
  - **Order No.:** 7435
  - **Amount:** $80,000
  - This project consists of the replacement of approximately 6,000 feet of pipe. Requested funds will provide for construction management.

- **Blackwell Tract Collection System Replacement**
  - **Order No.:** 7427
  - **Amount:** 190,000
  - This project consists of the replacement of approximately 5,600 feet of pipe. Funding will be used for design, CEQA and permitting.

- **East Robles Collection SystemReplacement**
  - **Order No.:** 7590
  - **Amount:** 200,000
  - This project consist of the replacement of approximately 3,000 feet of pipe. Funding will be used for design, CEQA and permitting.

- **West Robles Collection System Replacement**
  - **Order No.:** 7591
  - **Amount:** 375,000
  - This project consist of the replacement of approximately 500 feet of pipe. Funding will be used for design, CEQA, permitting, construction and contract administration.

**Grand Total-Character 85**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$845,000</strong></td>
</tr>
</tbody>
</table>
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Sanitation District South Park - Page 15**

**Section:** South Park CSD - Construction

**Index No.:** 654301

---

**DESCRIPTION OF FUND ACTIVITY**

<table>
<thead>
<tr>
<th>DESCRIPTION OF FUND ACTIVITY</th>
<th>Actual FY 12-13</th>
<th>Estimated FY 13-14</th>
<th>Requested FY 14-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undesignated/Unreserved <strong>BEGINNING</strong> Retained Earnings</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Available for Budgeting (See Detailed Components Below)**

<table>
<thead>
<tr>
<th></th>
<th>$3,549,603</th>
<th>$5,729,929</th>
<th>$2,405,482</th>
</tr>
</thead>
</table>

**Annual Revenues and Expenditures:**

<table>
<thead>
<tr>
<th></th>
<th>Revenues - Increase retained earnings</th>
<th>Expenditures - (Decrease) retained earnings</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,287,515</td>
<td>(53,491)</td>
<td>1,039,408</td>
<td>(4,363,855)</td>
</tr>
<tr>
<td>Net Surplus or Deficit - Inc/(Dec) to retained earnings</td>
<td>2,234,024</td>
<td>(3,324,447)</td>
<td>(310,800)</td>
<td></td>
</tr>
</tbody>
</table>

**Adjustments to Reserves/Encumbrances:**

<table>
<thead>
<tr>
<th></th>
<th>Change in Encumbrance</th>
<th>Capitalized Interest</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,028</td>
<td>(55,726)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Adjustment - Inc/(Dec) to Retained Earnings</td>
<td>(53,698)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

**Undesignated/Unreserved **ENDING** Retained Earnings**

<table>
<thead>
<tr>
<th></th>
<th>$5,729,929</th>
<th>$2,405,482</th>
<th>$2,094,682</th>
</tr>
</thead>
</table>

**Total Increase/(Decrease) in Retained Earnings for Fiscal Year**

*(Difference between Beginning and Ending Balance)*

<table>
<thead>
<tr>
<th></th>
<th>$2,180,326</th>
<th>($3,324,447)</th>
<th>($310,800)</th>
</tr>
</thead>
</table>

---

**Retained Earnings Components at Beginning of FY**

<table>
<thead>
<tr>
<th></th>
<th>7/1/12</th>
<th>7/1/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$3,459,181</td>
<td>$5,730,559</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>92,450</td>
<td>-</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>-</td>
<td>(630)</td>
</tr>
<tr>
<td>Encumbrance</td>
<td>(2,028)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Beginning Retained Earnings</strong></td>
<td>$3,549,603</td>
<td>$5,729,929</td>
</tr>
</tbody>
</table>

---

Sanitation District

South Park - Page 15

6/27/2014 6:28 PM