

**COUNTY OF SONOMA  
AGENDA ITEM  
SUMMARY REPORT**

**Clerk of the Board Use Only**  
**Meeting Date**                      **Held Until**  
 \_\_\_\_\_  
**Agenda Item No:**                      **Agenda Item No:**  
 \_\_\_\_\_

**Department:**  
 Sonoma County Water Agency, Occidental, and Sonoma Valley County Sanitation Districts

(X) 4/5 Vote Required

**Contact:**  
 Candi Bryon

**Phone:**  
 (707) 521-6212

**Board Date:**  
 06-16-09

**Deadline for Board Action:**  
 06-30-09

**AGENDA SHORT TITLE:**  
 Fiscal Year 2008/2009 Budget Adjustments

**REQUESTED BOARD ACTION(S):**  
 Concurrent Resolutions authorizing budgetary adjustments to the 2008/2009 Final Budget in various funds.

**CURRENT FISCAL YEAR FINANCIAL IMPACT**

<u>EXPENDITURES</u>		<u>ADD'L FUNDS REQUIRING BOARD APPROVAL</u>	
Estimated Cost	\$ 4,429,041	Contingencies	\$ 13,000
Amount Budgeted	\$	(Fund Name: )	
Other Avail Approp	\$	Unanticipated Revenue	\$
(Explain below)		(Source: )	
Additional Requested:	\$ 4,429,041	Other Transfer(s)	\$ 4,416,041
		(Source: Fund Balance)	
		Add'l Funds Requested:	\$ 4,429,041

**Explanation (if required):**  
 Current year fiscal impact on attached Resolution.

**Prior Board Action(s):**  
 09/16/08 Resolution No. 08-0786 adopting the Fiscal Year 2008/2009 Final Budget

**Alternatives - Results of Non-Approval:**  
 If the requested Board actions are not approved, the affected funds will have insufficient appropriations to continue operations during the current fiscal year.

**Background:**

The Occidental County Sanitation District, the Sonoma Valley County Sanitation District, the Sea Ranch Sanitation Zone, the Geyserville Sanitation Zone, the Common Facilities Revenue Bond 2003 Fund, the Common Facilities Revenue Bond 2003 and 2006 Fund, the Capital Lease Financing Fund, the Storage Facilities Revenue Bond 2006, the Storage Facilities Fund, Collector 6 Debt Service Fund, the Power Resources Fund, the Recycled Water Fund, and the Sonoma County Water Agency (Agency) General Fund all require appropriation adjustments to the Fiscal Year 2008/2009 budgets that were adopted by the Board of Directors on September 16, 2008. Funds are available for appropriation from transfer within the various funds or from Budgetary Retained Earnings. The following summarizes the requested adjustments in each of the affected funds:

Occidental CSD Operations Fund (Index 651109)

The Services and Supplies character will exceed the amount budgeted by approximately \$48,484. The projected overage is due the requirements by the State for testing and monitoring. The Other Charges character will exceed the amount budgeted by \$17,414 due to Depreciation Expense being greater than planned. The Board is requested to authorize \$65,898 in appropriation in the fund, the use of \$2,000 in budgeted Appropriations for Contingencies, and a transfer of \$63,898 from the Agency General Fund to cover the projected overage in Services and Supplies and Other Charges.

Occidental CSD Construction Fund (Index 651505)

The Fixed Asset character will exceed the amount budgeted by approximately \$5,300. The projected overage is due to higher than expected expenses for the inspection of remedial work that the contractor performed under warranty for the Occidental Sewer Project. The Board is requested to authorize appropriation of \$5,300 in the fund and a transfer of \$5,300 from the Agency General Fund to cover the projected overage in the Fixed Assets character. In addition, an appropriation for a non-cash transaction for \$138,006 for loss on fixed assets for removal of a project no longer meeting the criteria to be capitalized is requested.

Occidental CSD Bond #2 (Index 651224)

The Board is requested to authorize appropriation of \$250 and a transfer of \$250 from the Occidental Operations Fund to bring the cash and subsequently the retained earnings to zero so the fund can be closed.

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**Attachments:** Resolutions (R1 & R2)

**On File With Clerk:**

**CLERK OF THE BOARD USE ONLY**

**Board Action (If other than "Requested")**

**Vote:**

## **Background (continued):**

### Sonoma Valley SRF Loan (Index 654310)

The Other Financing Uses character will exceed the amount budgeted by \$1,210,174. Final funding of loan was anticipated in FY 07-08, but not received from the State until FY 08-09. Appropriations are required to transfer the final draw to reimburse construction costs. The Board is requested to authorize appropriation of \$1,210,174 and the use of \$1,210,174 of fund balance to cover the overage.

### Sea Ranch Sanitation Zone Operations Fund (Index 678102)

The Services and Supplies character will exceed the amount budgeted by approximately \$34,000 due to expenses related to a pump rental for emergency transfer from pond. The Board is requested to authorize the appropriation of \$34,000 in this fund, and an appropriation transfer of \$1,137 in unused Depreciation appropriation, and the use of \$11,000 in budgeted Appropriations for Contingencies, and the use of \$21,663 of Budgetary Retained Earnings to cover the overage.

### Geyserville Sanitation Zone Operations (Index 681106)

Expense of \$16,852 is applicable to a prior year project which is no longer being pursued. This is a non-cash item transaction. The Board is requested to authorize the appropriation of \$16,852 in this fund.

### Common Facilities Revenue Bond 2003 Fund (Index 675454)

The Other Financing character will need an additional \$97,000 in appropriation for transfers to the Common Facilities Fund to finance construction costs of eligible projects. The Board is requested to authorize the appropriation of \$97,000 in this fund and the use of \$97,000 of budgetary earnings to cover the overage.

### Common Facilities Revenue Bond 2006 Fund (Index 675496)

The Other Financing character will need an additional \$81,500 in appropriation for transfers to the Common Facilities Fund to finance construction costs of eligible projects. The Board is requested to authorize the appropriation of \$81,500 in this fund and the use of \$81,500 of budgetary earnings to cover the overage.

### Capital Lease Financing (Index 675371)

The Board is requested to authorize the appropriations of \$700,000 of revenue to transfer from temporary holding Index 675496 to the newly establish fund for capital lease financing.

### Storage Facilities Revenue Bond 2006 Fund (Index 675488)

The Other Financing character will need an additional \$75,000 in appropriation for transfers to the Storage Facilities Fund to finance construction costs of eligible projects. The Board is requested to authorize the appropriations of \$75,000 in this fund and the use of \$75,000 in budgetary earnings to cover the overage.

### Collector 6 Debt Service Fund (Index 675439)

The Board is requested to authorize appropriation of \$2,400,000 in this fund for transfers to the Common Facilities Fund pursuant to the Restructured Agreement for Water Supply (Section 4.7 (d)).

### Sonoma County Water Agency Power Resources Fund (Index 687400)

The Fixed Asset character will exceed the amount budgeted by approximately \$45,000 due to higher than anticipated design cost for the Geyserville Photovoltaic Project. The Board is requested to authorize appropriation of \$45,000 in this fund and the transfer of \$45,000 from Budgetary Retained Earnings to cover the overage.

**Background (continued):**

Recycled Water Fund (Index 674523)

The Services and Supplies character will exceed the amount budgeted by approximately \$96,000 due to higher than anticipated design cost for the Regional Geoexchange Energy Efficiency Project. The Board is requested to authorize appropriation of \$96,000 in this fund and the transfer of \$96,000 from the Agency General Fund to cover the overage.

Agency General Fund (Index 672105)

The Other Financing character will exceed the amount budgeted by approximately \$96,000 due to the required transfer to the Recycled Water Fund. The Residual Equity Transfers Out character will exceed the amount budgeted by \$69,000 due to the required transfers to the Occidental County Sanitation District for Operations and Construction. The Board is requested to authorize appropriation of \$165,000 in the fund and to authorize the use of \$165,000 in fund balance to cover the overage.

**REQUESTED BOARD ACTION(S):**

Concurrent Resolutions authorizing budgetary adjustments to the 2008/2009 Final Budget in various funds.