

GRATON COMMUNITY SERVICES DISTRICT

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Preliminary Budget 2015-16

FY 2015-16 BUDGET

BUDGET SECTION SUMMARY

Section Title:

GRATON COMMUNITY SERVICES DISTRICT

A. Program Description

B. Financial Summary

This budget finances the operation, maintenance, and administration of a collection system, pumping stations, treatment plant, and disposal facilities serving the Graton area.

Section	EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 14-15 Adopted	FY 15-16 Requested	Percent Change	FY 14-15 Adopted	FY 15-16 Requested	Percent Change
Operations	\$1,528,708	\$1,457,233	(4.68%)	\$517,311	\$429,783	(16.92%)
Bonds	2,150	1,325	(38.37%)	(13,872)	(14,860)	7.12%
Construction	122,650	340,815	177.88%	(115,806)	100,859	(187.09%)
TOTAL:	\$1,653,508	\$1,799,373	8.82%	\$387,633	\$515,782	33.06%

C. Staffing Summary

Two full-time Operator-Level V, Two part-time Operator-Level II and one part-time Bookkeeper are allocated.

D. Workload Summary

Workload Indicator	FY 13-14 Actual	FY 14-15 Budget Estimate	FY 14-15 Revised Estimate	FY 15-16 Projected	Change from FY 14-15 Budget Estimate
Total ESDs	649	649	652	653	0.62%
Total APNs	428	428	428	429	0.23%

E. Summary of Issues and Significant Changes

In 2004, ownership of the Graton Sanitation Zone was transferred from the Graton Sanitation Zone under the management of the Sonoma County Water Agency (SCWA), to the Graton Community Services District (District). The District hired operations staff and assumed control of treatment plant operations in 2005. Maintenance of the collection system will be performed by vendors under contract. The wastewater treatment plant is designed to treat an average dry weather flow of up to 140,000 gallons per day to secondary wastewater treatment standards. Treated wastewater from the Graton plant is discharged into Atascadero Creek, a tributary to the Russian River, between October 1 and May 14 each year and is used for irrigation between May 15 and September 30. The District is undergoing a Capital Improvements Project (CIP) which will result in the construction of tertiary treatment facilities. These improvements will bring the District's facilities into compliance with the North Coast Regional Water Quality Board's advanced wastewater treatment standards.

The requested rate per ESD for FY 15-16 annual service charges is \$1,574 representing a zero % increase from FY 14-15. The District currently collects sufficient funds to operate and maintain its collection system, treatment plant, and reclamation system. In addition to funds needed for the ongoing operations of wastewater treatment and disposal facilities, funds are necessary for the replacement of aging infrastructure. The level of funds collected has allowed the District to accrue some funds for future infrastructure replacement projects. Over time it will be necessary to increase the level of capital

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

Data Input Sheet

Final Budgeted 2014-15 Actuals thru Mar 31 2014-15 Preliminary Requested 2015-16

Acct #s

GCSD Operations

Character No.: 768010-10

Character Title: Taxes

Sub-Object No. and Description

Revenues	2014-15	Actuals thru Mar 31 2014-15	Preliminary Requested 2015-16
40003 Flat Charges - CY	963,947	512,206	975,700
40003 Flat Chg-CY Secured July	0	0	0
40050 Prop Taxes-Y/E Accrual	12,200	-57,112	4,000
40202 Flat Charges - PY	18,500	30,139	20,000
40999 Penalties/Costs on Taxes	1,500	0	3,000
SUBTOTAL	996,147	485,233	1,002,700

Character No.: 768010-13

Character Title: Licenses/Permits Total

Sub-Object No. and Description

41132 1460 Other License/Permits	0	0	0
41134 1465 Sewer Permits	0	0	0
SUBTOTAL	0	0	0

Character No.: 768010-17

Character Title: Use of Money/Property

Sub-Object No. and Description

44002 Interest on Pooled Cash	1,500	639	1,500
44003 Interest Earned	0	0	0
SUBTOTAL	1,500	639	1,500

Character No.: 768010-20

Character Title: Intergovernmental Rev.

Sub-Object No. and Description

42281 ST - Disaster Relief	0	0	0
42281 ST-Disaster Admin-Cal EMA	0	0	0
42360 ST - Grants (prop 50)	0	0	0
42441 Fed - Disaster Relief	0	0	0
42441 Fed - Disaster Admin FEMA	0	0	0
SUBTOTAL	0	0	0

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Data Input Sheet

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Account #s	Character No.: 768010-30				
	Character Title: Charges for Services				
	Sub-Object No. and Description				
44050	Unrealized Gains and Losses	0	-3,197	0	0
45221	Sanitation Services	12,500	0	0	0
45221	Sewer Charges	0	0	22,000	0
45221	Industrial User Monitoring/Discharge	0	0	0	0
45301	Other Charges for Services	0	0	0	0
46200	Revenue Applic to PY	0	2,320	0	0
	SUBTOTAL	12,500	-877	22,000	0

	Character No.: 768010-40				
	Character Title: Miscellaneous Revenue				
	Sub-Object No. and Description				
45313	Sale - Water Irrigation	1,000	0	1,000	0
46040	Miscellaneous Revenues	250	283	250	0
46029	Donations/Reimbursements	0	0	0	0
46050	Outdate/Cancel Warrant	0	40	0	0
46027	Insurance Reimbursement	0	0	0	0
46021	Federal Grant (SRF)	0	1,430	0	0
	SUBTOTAL	1,250	1,753	1,250	0

	Character No.: 768010-46				
	Character Title: Other Financing Sour				
	Sub-Object No. and Description				
47002	Sale - Fixed Assets	0	0	0	0
47101	Uncim-OT-Within Sp Dists-BOS	0	0	0	0
49004	Administrative Control Acct	0	19,785	0	0
49005	Admin Control Account - Clearing	0	-19,785	0	0
	SUBTOTAL REVENUES	0	0	0	0

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Data Input Sheet

Final Budgeted 2014-15 Actuals thru Mar 31 2014-15 Preliminary Requested 2015-16

Account #s	Character No.: 768010-60	Character Title: Services/Supplies	Final Budgeted 2014-15	Actuals thru Mar 31 2014-15	Preliminary Requested 2015-16
		Sub-Object No. and Description			
51042		Insurance	26,250	21,887	\$26,250
51061		Maintenance-Equipment	20,000	4,130	20,000
51071		Maint-Bldgs/Imp	45,000	15,908	45,000
51201		Administration/Operations Services	375,000	316,399	375,000
51202		Election Expense	100	0	4,500
51206		Audit/Accounting Services	30,500	18,902	30,500
51211		Legal Services	100,000	59,906	90,000
51225		Training	4,000	1,466	5,000
51226		Consultant Services	95,500	23,160	50,000
51231		Testing/Analysis	45,000	36,477	45,000
51244		State Permits/Fees	10,000	8,462	10,000
51301		Publication & Legal	3,500	347	3,000
51401		Rents/Leases - Equipment	2,000	880	2,000
51421		Rents/Leases - Bldg	250	0	0
51803		Contract Services	122,500	62,112	90,000
51902		Communications	8,000	7,958	\$8,000
51916		County Services	17,350	0	17,350
52021		Uniforms and Safety Clothing	3800	7327	8,000
5204-1		Housekeeping	900	270	\$500
52061		Fuel/Gas/Oil	3,000	1,445	2,000
52072		Chlorine Chem/Recorder	16,000	34,216	40,000
52081		Laboratory Supplies and Equipment	8,925	532	7,000
52091		Memberships/Certifications	4,000	5,228	5,000
52101		Operating Expense	24,000	9,895	15,000
52111		Office Expense	23,550	12,940	23,550
52141		Minor Equipment/Small Tools	4,000	4,373	4,000
52191		Utilities Expense	80,000	60,487	80,000
53103		Interest on LT Debt	0	35,436	0
53105		Debt Issuance Costs	1,450	0	1,450
SUBTOTAL			1,074,575	750,143	1,008,100

Data Input Sheet

Acct #s		Final Budgeted		Actuals thru Mar 31		Preliminary Requested
		2014-15	2014-15	2014-15	2015-16	
Character No.: 768010-75 Character Title: Other Charges <u>Sub-Object No. and Description</u>						
53402	Depreciation	207,233	0	0	207,233	0
53403	Loss on Fixed Assets	0	0	0	0	0
	SUBTOTAL	207,233	0	0	207,233	0
Character No.: 768010-85 Character Title: Fixed Assets <u>Sub-Object No. and Description</u>						
54405	Buildings/Improvements	0	0	0	0	0
19820	Equipment (asset account)	15,000	0	0	10,000	0
	SUBTOTAL	15,000	0	0	10,000	0
Character No.: 768010-86 Character Title: Other Financing Uses <u>Sub-Object No. and Description</u>						
57011	OT-Within Sp Dists (loan)	206,900	0	0	206,900	0
	SUBTOTAL	206,900	0	0	206,900	0

Data Input Sheet

Final Budgeted Actuals thru Mar 31 Preliminary Requested

Acct #s	2014-15	2014-15	2015-16
Character Title: Appropriations for Cont.			
Sub-Object No. and Description			
55011 9000 Appropriations for Cont	25,000	0	25,000
	25,000	0	25,000
	SUBTOTAL		

Character No.: 768010-92			
Character Title: Administrative Control			
Sub-Object No. and Description			
59004 9200 Ent-Principal	0	0	0
59005 9209 Ent-Principal-Clearing	0	0	0
	0	0	0
	SUBTOTAL		

Character No.: 768010-95			
Character Title: Encumbrance Exp			
Sub-Object No. and Description			
9650 PY Enc-Profess/Spec	0	0	0
	0	0	0
	SUBTOTAL		

GCSD Operations - Summary

TOTAL EXPENDITURES	1,528,708	750,143	1,457,233
TOTAL REVENUES	1,011,397	486,747	1,027,450
TOTAL NET COST (Expenditures Minus Rev.)	517,311	263,396	429,783

Data Input Sheet

Final Budgeted **Actuals thru Mar 31** **Preliminary Requested**
 2014-15 2014-15 2015-16

Acct #s

GCSD Bonds

Character No.: 768101-10				
Character Title: Taxes				
Sub-Object No. and Description				
40002	1000 Property Taxes - CY Secur	13,522	7,978	14,150
40002	1004 Property Taxes - CY Sec	0	0	0
40111	1020 Property Taxes - CY Supp	500	77	275
40101	1040 Property Taxes - CY Unsec	1,000	1,463	1,525
	1100 Property Taxes-MISC	0	0	75
	SUBTOTAL	15,022	9,518	16,025

Character No.: 768101-17				
Character Title: Use of Money/Property				
Sub-Object No. and Description				
44002	1700 Interest on Pooled Cash	500	-44	-50
	SUBTOTAL	500	-44	-50

Character No.: 768101-20				
Character Title: Intergovernmental Rev.				
Sub-Object No. and Description				
42291	2440 St - Hoptr	500	104	210
	SUBTOTAL	500	104	210

Character No.: 768101-60				
Character Title: Services/Supplies				
Sub-Object No. and Description				
51242	6635 Fiscal Agent Fees	50	0	50
	SUBTOTAL	50	0	50

Data Input Sheet

Acct #s	Final Budgeted 2014-15	Actuals thru Mar 31 2014-15	Preliminary Requested 2015-16
Character No.: 768101-75			
Character Title: Other Charges			
<u>Sub-Object No. and Description</u>			
53103	2,100	1,267	1,275
	SUBTOTAL	1,267	1,275
Character No.: 768101-92			
Character Title: Administrative Control			
<u>Sub-Object No. and Description</u>			
59004	16,000	16,000	17,000
59005	-16,000	-16,000	-17,000
	SUBTOTAL	0	0
GCSD Bonds - Summary			
TOTAL EXPENDITURES			
	2,150	1,267	1,325
TOTAL REVENUES			
	16,022	9,578	16,185
TOTAL NET COST (Expenditures Minus Rev.)			
	-13,872	-8,311	-14,860

Data Input Sheet

<u>Final</u> Budgeted	<u>Actuals thru</u> Mar 31	<u>Preliminary</u> Requested
2014-15	2014-15	2015-16

Acct #s

GCSD Construction

Character No.: 768200-10		
Character Title: Taxes		
Sub-Object No. and Description		
40002	Property Taxes Year End A	0
40202	Flat Charges - PY	0
40999	Penalties/Costs on Taxes	0
SUBTOTAL		0

Character No.: 768200-17		
Character Title: Use of Money/Property		
Sub-Object No. and Description		
44002	Interest on Pooled Cash	1,205
44003	Interest Earned	0
44050	Unrealized Gains and Losses	-4,117
SUBTOTAL		-2,912

Character No.: 768200-20		
Character Title: Intergov. Revenue		
Sub-Object No. and Description		
42281	2400 ST- Disaster Relief_Cal EMA	0
42358	2500 ST- Other	0
42360	2580 ST-Grant	0
42441	2680 Fed - Disaster Relief_FEMA	0
SUBTOTAL		0

Character No.: 768200-30		
Character Title: Charges for Services		
Sub-Object No. and Description		
46200	Misc Revenue applic to a Prior Year	14,549
SUBTOTAL		14,549

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Character No.: 768200-40
Character Title: Misc Revenue
Sub-Object No. and Description

46027	4116 Insurance Reimbursement	0	0	0
46024	4300 Connection Fees	31,056	0	31,056
46023	4301 EPA Grants	0	0	0
46022	4303 State Grants (prop50)	0	0	0
46021	4304 Federal Grants (SRF)	0	0	0
SUBTOTAL		31,056	0	31,056

Data Input Sheet

Final Budgeted **Actuals thru Mar 31** **Preliminary Requested**
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Acct #s

Character No.: 768200-42
Character Title: Administrative Control

Sub-Object No. and Description

49004	4200 Ent-Ltd Proceeds	0	0	0
49005	4209 Ent-Ltd Proceeds-Clearing	0	0	0
49004	4220 Administrative Control Account	0	-24,421	0
49005	4229 Administrative Control Clearing	0	24,421	0
	SUBTOTAL	0	0	0

Character No.: 768200-46
Character Title: Other Financing Sources

Sub-Object No. and Description

47101	4625 OT-Within SP Distis (loan)	206,900	0	206,900
27200	Advances from other Governments	0	0	222,300
	SUBTOTAL	206,900	0	206,900

Character No.: 768200-75

Character Title: Other Charges

Sub-Object No. and Description

Expenses	xxxx Misc Expenses	0	0	0
52101	6640 Debt Issuance Costs	0	0	0
53105	7920 Interest	0	0	0
53103	7924 Interest-PY	0	0	0
53103	7930 Interest - LT Debt	122,650	32,633	118,515
53103	7931 Lease/Purchase Interest	0	0	0
57011	8625 Unclm=OT-Within ST Distis-BOS	0	0	0
	SUBTOTAL	122,650	32,633	118,515

Data Input Sheet

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Accnt #s

Character No.: 768200-85
Character Title: Fixed Assets
Sub-Object No. and Description

54101	8500 Land	0	0	0
54405	8510 Buildings/Improvements	0	0	0
54405	9142 Capital Replacement	0	50,601	0
54405	9199 Bldgs/Imp-Rebudget	0	0	0
59004	9200 Ent - Principal	84,250	84,250	88,385
59005	9209 Ent - Principal - Clearing	-84,250	-84,250	-88,385
59005	9209 RCAC payoff	0	0	0
54702	9480 Intangible Assets	0	0	0
19831	Acq-CIP-Bldg & Impr	0	0	222,300
	SUBTOTAL	0	50,601	222,300

GCSD Construction - Summary

TOTAL EXPENDITURES	122,650	83,234	340,815
TOTAL REVENUES	238,456	11,637	239,956
TOTAL NET COST (Expenditures Minus Rev.)	-115,806	71,597	100,859

Data Input Sheet

<u>Final</u> Budgeted	<u>Actuals thru</u> Mar 31	<u>Preliminary</u> Requested
2014-15	2014-15	2015-16

Accnt #s

Grand Total GCSD

TOTAL EXPENDITURES	1,653,508	834,644	1,799,373
TOTAL REVENUES	1,265,875	507,962	1,283,591
TOTAL NET COST (Expenditures Minus Rev.)	387,633	326,682	515,782

2014-2015 Operations Revenues and Expenses
CHARACTER JUSTIFICATION

Department - Division: Graton Community Services District
 Section Title: Graton Community Services District - Operations

Please note the below numbers (eg. 1001 (40003)) indicate first the old sub object FAMIS number and then the new EFS account number.

Character Title:	Taxes	Character No.:
1001 (40003) Direct Charges - CY	Rates for fiscal 15-16 are not expected to change. Last change was for 12-13 fiscal.	768010-10
The rate will remain at \$1,574.37 for the 14-15 fiscal year.		
ESDs x rate	652.3 x \$1,574	\$1,026,962
Less Estimated Delinquency Factor:	5%	(51,348)
		<u>\$975,613</u>
1007 (40003) Direct Charges July - CY		
End of year receipts. Posted at end of fiscal year.		
1019 (40050) Prop Taxes YE Accrual		
To factor in amounts owed from past fiscal year and an AP into next.		
1061 (40202) Flat Charges - PY		
This item records the estimated delinquent amount of prior years sewer service charges.		
1120 (40999) Penalties / Costs on Taxes		
This item records penalties paid on delinquent sewer service charges.		

Character Title:	Use of Money	Character No.:
1460 (41132) Other liscence/Permits	Outside sources of revenue for facility use and services.	768010-17
1700 (44002) 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	142,857	
Projected Interest Rate	<u>1.05%</u>	
Projected/Planned Interest on Pooled Cash	1,500.00	

Character Title:	Intergovernmental Revenues	Character No.:
2401 (42281) State Disaster-Admin	Reimbursement of amounts paid from CalEma for disaster project administration costs paid for from operations.	768010-17
2580 (42360) State Grant-Admin	Reimbursement of amounts paid from Prop 50 for construction project administration costs paid from operations.	
2681 (42441) Federal Disaster-Admin	Reimbursement of amounts paid from FEMA for flood disaster project administration costs paid from operations.	

Character Title:	Charges for Services	Character No.:
3400 (45221) 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-CY, in the following year. Based on estimated FY 14-15 ESDs (7.4), the District will collect 11,650.00. There is no increase in the service charge for fiscal 15-16.	768010-20
ESDs x Annual rate	7.4 x \$1,574 =	\$11,650 (round to 12K)

3401 (45221) Sewer Charges
 Revenues from potential outside user (Oak Grove School, temporary, construction site, mobile pumping, etc), billed directly, not on tax rolls.
3600 (45301) Other Charges for Services
 Any misc charges for unexpected services are billed direct.

Character Title: Miscellaneous Revenues **Character No.: 768010-30**

4034 (45313) Water Sales
 Revenues from sales of water for frost protection and irrigation.
4040 (46040) Miscellaneous revenue
 Revenues from callouts, check the system, minor repairs, etc., at request of individual rate payer.

Character Title: Services and Supplies **Character No.: 768010-60**

6021 (52021) Uniforms
 This account records expenses paid by the District for uniform services.
6022 (52021) Safety Clothing
 This account records expenses paid by the District for safety-related clothing.
6040 (51902) Communications
 This account records expenses paid by the District for outside communication, internet and wireless services. Expenses are expected to increase due to new cell phone and answering service expenses.
6080 (52041) Housekeeping
 This account records expenses paid by the District for housekeeping-related goods and services.
6100 (51042) Insurance
 This account records expenses paid by the District for property and liability insurance. Expenses are expected to increase due to annual insurance premium adjustments. Workers Comp is also accounted for here.
6140 (51061) Maintenance of Equipment
 This account records expenses paid by the District for maintenance of equipment and vehicles. Expenses will increase as we are now including periodic maintenance of 10 pumps, 4 aerators, 2 wet wells, 2 vehicles, a tractor, emergency generator, and electrical control panels.
6180 (51071) Maintenance- Bldgs / Impr
 This account records the cost of supplies and materials required to maintain the treatment plant, grounds and collection system.
6262 (52081) Lab Supplies
 This account records the cost of lab supplies required for in-house testing and monitoring of wastewater. Expenses are expected to increase due to increased chemical costs.
6280 (52091) Memberships
 This account records expenses paid by the District for membership in outside organizations. Expenses are expected to increase due to additional LAFCO charges and increased revenue-based membership fees.
6400 (52111) Office Expense
 This account records expenses paid by the District for office-related supplies and equipment. It also now represents the annual mailing list/data fees and the annual 1% administration fees assessed by the County for processing the collection of flat charges on the tax rolls.
6410 (52111) Postage
 This account records expenses paid by the District for postage and shipping costs. Expenses are expected to increase due to postal rate increases and need for additional District-related mailings and shipping.
6461 (52101) Operat. Operating Expense
 This account records expenses paid by the District for operations-related goods and misc services. Expenses are expected to increase for annually required SCBA Fit and Flow testing and Personal Protective Equipment (PPE). It also records misc service and supply items to operate the district per the below 6522 which are now combined into 52101.
6512 (51231) Testing / Analysis
 This account records the cost of contract laboratory services. This expense increase is due to testing cost increases and additional lab testing required to assure the performance of Tertiary processes implemented in the Capital Improvement Project (CIP).

6521 (51916) County Services

Annual contract fees for billing and collection of annual fees applied and collected through Assessors Office.

6522 (52101) District Services and Supplies

This account records the cost of miscellaneous service and supply items related to the operation and maintenance of the District's facilities and equipment. Other supplies and Arbor mulch for new treatment system are included here.

6540 (51803) Contract Services

This account records the cost of services provided under contract. Expenses may increase due to collections systems maintenance costs and regular operational oversight. General Manager and Web Site Administrator.

6570 (51226) Consultant Services

This account records the costs associated with consultant services. Admin Assistant, Engineer, Grant Admin, Energy Consultant

Character Title: Services and Supplies Character No.: 768010-60

6573 (51201) Administration Costs

This account no longer represents the annual mailing list/data fees or the annual 1% administration fees assessed by the County for processing the collection of flat charges on the tax roll. These expenses have now been moved to account 52111, Office Expense.

6579 (51201) Other Admin Costs

This account records the cost of labor and overhead associated with the operation and maintenance of the District's facilities and equipment. Bookkeeping services are also included. Expenses include Permanent Positions, Extra Help, Medicare, Social Security, Unemployment Insurance, Employee Training Tax, Health Ins, Dental Insurance and Vision Care and Health Savings Accounts.

6610 (51211) Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by District Counsel, or outside legal services, as required.

6630 (51206) Audit / Accounting Services

This item represents the direct allocation of the Auditor-Controller Fiscal Services staff costs for time expected to be spent on the District's accounting, the annual State Controllers Audit Report and costs associated with the District's yearly third-party financial audit. It also includes the annual audit fees charged by Pisenti & Brinker. It has been combined in EFS to include the below 6631 sub object.

6631 (51206) Bookkeeping

This account records the cost of bookkeeping software, checks and forms used for the in-house administration of payroll.

6635 (none) Fiscal Agent Fees (no budget for this account at this time.)

This account records expenses paid by the District for fees charged by outside banks.

6640 (53105) Debt Issuance Cost

Generally accepted accounting principles require that debt issuance costs be amortized over the term of the financing agreement. This is a non-cash transaction; however, appropriations are required to book the entry.

6800 (51301) Publication & Legal

This account records expenses paid by the District for publication of legal notices. Expenses may increase due to additional legal notice publications required during the CIP, budget hearings and Board elections.

6820 (51401) Rents/Leases - Equipment
 This account records expenses paid by the District for renting or leasing operational equipment.

6840 (51421) Rents/Leases - Bldg
 This account records expenses paid by the District for renting or leasing buildings. Expenses are normally increased once a year.

6880 (52141) Small Tools
 This account records expenses paid by the District for small tools. Expenses are expected to increase due to the expected purchase of pumps to increase transfer and discharge efficiency.

7005 (51202) Election Expenses
 The district must pay a share of the overall Sonoma County costs for the general election. This account also records expenses paid by the District for inclusion of Board of Directors candidates in the General Election Materials.

Character Title: Services and Supplies Character No.: 768010-60

7120 (51225) Training
 This account records expenses paid by the District for employee and OIT training and certifications.

7201 (52061) Gas/Oil
 This account records expenses paid by the District for fuel and oil used in vehicles and pumps.

7212 (52072) Chlorine Chem/Recorder
 This account records expenses paid by the District for chlorine or other disinfecting chemicals used in the treatment process, as well as measuring devices and data recorders used to monitor the disinfection process. Expenses are expected to increase with the purchase of replacement parts, chemical pumps, and State Water Control Board required items.

7217 (51244) State Permits/Fees
 This account records expenses paid by the District for required state permits and fees associated with the operation of the treatment plant. Expenses are expected to increase due to costs for NPDES permit revisions and review, and costs associated with penalties, Supplemental Environmental Projects, and Compliance Projects.

7320 (52191) Utilities
 This account records the cost of utilities such as gas, electricity, garbage/trash service and water.

Character Title: Other Charges Character No.: 768010-76

7980 (53402) Depreciation
 Generally Accepted Accounting Principles require that depreciation be budgeted/expensed each year. This amount must be shown as an expense with no offsetting entry, but does not effect fund (available cash to spend) balance.

8560 (54305) Machinery and Equipment
 Estimated purchase price of major items such as tractor, skidder, mower, misc related large equipment items.

Character Title: Other Financing Uses Character No.: 768010-86

8625 (57017) OT- Win Special Dist
 This account reflects the transfer of cash from the Operations Fund 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 will not be made and the uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Character Title: Appropriation for contingency Character No.: 768010-90

9000 (55017) Appropriations for Contingencies
 This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Administrative Control Account Character No.: 768010-92

9200 (59004) Ent - Principal from long term debt funds borrowed in 2005 for CIP.

9209 (59005) Ent - Principal Clearing the clearing account for sub-object 9200, Ent - Principal.

**FY 2014-15 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Graton Community Services District
Section Title: Graton Community Services District - Bonds

Please note the below numbers (eg. 1000 (40002) indicate first the old sub object FAMIS number and then the new EFS ac

Character Title: Taxes **Character No.:** 768101-10

1000 (40002) Prop Taxes - CY Secured
 The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

1020 (40111) Supplemental Property Taxes - CY
 Amounts assessed and collected mid tax year for new purchases (land and/or improvements).

1040 (40101) Prop Taxes - CY Unsecured
 The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

Note:
 The FY 14-15 bond payment amount (principal and interest). To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained for this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

Character Title: Use of Money **Character No.:** 768101-17

1700 (44002) 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	\$0
Projected Interest Rate	<u>0.00%</u>
Projected/Planned Interest on Pooled Cash	\$0

Character Title: Intergovernmental Revenue **Character No.:** 768101-20

2440 (42291) St - HOPTR
 This account records the receipt of State Home Owner's Property Tax Relief as allocated by the Auditor's Office. The claim is filed with the State based on the number of Homeowner's Exemptions filed with the County.

Character Title: Services and Supplies **Character No.:** 768101-60

6635 (51242) Fiscal Agent Fees

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

Character Title: Other Charges Character No.: 768101-75

7920 (53103) Interest

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5.0%. Payments began March 1, 1977 and will continue semi-annually until September 1, 2016. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were sold.

Character Title: Administrative Control Account Character No.: 768101-92

9200 (59004) Ent - Principal

This account reflects the principal expense for general obligation bonds that were issued in 1976 to finance the local share of a wastewater collection system. Payments on the bonds will continue until September 1, 2016. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original Amount of the General Obligation Bond Issue:	\$350,000
Total FY 76-77 through FY 12-13 Principal Payments by Graton:	(284,000)
FY 13-14 Principal Payment by Graton:	<u>(16,000)</u>
Outstanding Bond Amount 6/30/2014	\$50,000

9209 (59005) Ent - Principal Clearing

This is the clearing account for sub-object 9200, Ent - Principal.

count number.

2014-2015 Budget Character Justification

Department - Divisor Graton Community Services District
 Section Title: Graton Community Services District - Construction

Please note the below numbers (eg. 1700 (44002) indicate first the old sub object FAMIS number and then the new EFS account number.

Character Title:	Use of Money	Character No.:
Revenues 1700 (44002) Interest on Pooled Cash		768200-17
This account records interest on pooled cash held for the District by the County Treasurer's office. Interest put to account from grants and loans are usually spent within a short amount of time, so no large amount anticipated.		
Estimated Average Cash Balance	50,000	
Projected Interest Rate	1%	
Projected/Planned Interest on Pooled Cash	\$500.00	

Character Title:	Intergovernmental Revenues	Character No.:
2500 State Revolving Fund (SRF)		768200-40
This account reflects grant moneys awarded the district for design and construction of the Capital Improvement Project (CIP) consisting of new Treatment Works, Operations Facility, and Office. Estimated amount at this time.		
2400 State Disaster Relief (CalEMA)		
This account reflects moneys owed the district for the completion of the Floodwall, applied for and built after the January 2006 Flood Event. Closing papers have been submitted and are subject to audit adjustments. portion of these funds will be reimbursed to operations for soft costs during construction.		
2680 Federal Disaster Relief (FEMA)		
This account reflects moneys owed the district for the completion of the Floodwall, applied for and built after the Jan 2006 flood event. A portion of these funds will be reimbursed to operations to reimburse for soft costs during construction. Closing papers have been submitted and are subject to audit adjustments		

Character Title:	Miscellaneous Revenue	Character No.:
4300 (46024) Connection Fees		768200-40
This account records connection fee revenue collected at the time new sewer permits are issued. FY 13-14 connection fees are projected to remain at \$10,352 and could increase in FY 14-15 per Ordinance 301A. Fee may increase after completion of capital improvements to reflect increased value. The District estimates 3 new connections in FY 14-15 Permits x Connection Fee 3 x 10,352 = \$31,056		
4303 State Grants Prop 50		
This account records state grant money awarded to the District. This amount recognizes retention that has been held during construction.		
4304 (46021) Federal Grants		
This account records federal grant money awarded to the District. District is currently not applying for anything new.		

Character Title: Administrative Control

Character No.: 768200-42

4200 Ent-Ltd Proceeds

This account reflects the proceeds of long-term debt funds borrowed to finance future Capital Replacement Programs or Capital Improvements Projects. Currently in application process to SRF for funding.

4219 Ent-Ltd Proceeds Clearing

This is the clearing account for sub-object 4200, Ent-Ltd Proceeds.

Character Title: Other Financing Sources

Character No.: 768200-46

4625 (47101) OT - Win Special Dist.

This account reflects the transfer of cash from the Operations Fund to the Construction Fund to finance the Capital Replacement Program Loan executed on 4/5/13.

Expenses Character Title: Other Charges

Character No.: 768200-75

7937 (53103) Lease/Purchase - Interest

This account reflects the \$122,650 interest payments on long-term debt funds borrowed in 2005 to finance the Capital Improvements Project (CIP) and retire the original Pipeline Construction Bond Debt. In FY14-15, two fixed annual principal payments, are due on Oct 5, 2014 and April 5, 2015.

7931 Lease/Purchase - Interest

This account also reflects the interest payment on a 300K RCAC short term bridge loan extended in Feb 2013 for purposes of financing portions of the Floodwall Project not covered by FEMA funding.

Character Title: Fixed Assets

Character No.: 768200-85

8510 Buildings / Improvements

This account reflects funds for treatment plant and reclamation system improvement projects. No funds are budgeted herein.

9142 (19831) Capital Replacement

This account is used to provide funds for repair and replacement of the sewer collection, treatment, storage, and disposal systems. Pond storage is limited during high storm events. Hence, the recently completed Floodwall Project. Long term replacement of existing facilities (worn out and in disrepair) will bring the facilities up to current sanitation standards and will extend the life of the entire infrastructure. This account reflects the cost of phase three, a complete upgrade of the sewage treatment system, repair and replacement of existing facilities, and construction of additional structures and systems to comply with State Water Quality Control Board orders.

9200 (59004) Ent - Principal

This account reflects the \$84,250 principal payments on long-term debt funds borrowed in 2005 to finance the Capital Improvements Project (CIP) and retire the original Pipeline Construction Bond Debt. In FY14-15, two fixed annual principal payments are due on October 5, 2014 and April 5, 2015.

This account also reflected the principal payment on a 300K RCAC short term bridge loan extended in Feb 2012

for purposes of financing portions of the Floodwall Project not covered by FEMA or other funding. This loan has been paid in full.

9209 (59005) Ent - Principal - Clearing

This is the clearing account for sub-object 9200, Ent - Principal.