

**FINAL BUDGET
FISCAL YEAR 2004-2005**

**WEST VALLEY SANITATION DISTRICT
SANTA CLARA COUNTY
CALIFORNIA**

SERVING RESIDENTS OF

**CITY OF CAMPBELL
TOWN OF LOS GATOS
CITY OF MONTE SERENO
CITY OF SARATOGA
UNINCORPORATED AREA
OF SANTA CLARA COUNTY**



**FINAL BUDGET
FISCAL YEAR 2004-2005**

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA**
100 East Sunnyoaks Avenue
Campbell, California 95008

Submitted by

**ROBERT R. REID
DISTRICT MANAGER AND ENGINEER**

TO

BOARD OF DIRECTORS

DONALD R. BURR	MAYOR, CITY OF CAMPBELL
JOE PIRZYNSKI	COUNCILMEMBER, TOWN OF LOS GATOS
DAVID BAXTER	COUNCILMEMBER, CITY OF MONTE SERENO
NICK STREIT	COUNCILMEMBER, CITY OF SARATOGA
JAMES T. BEALL, JR.	SUPERVISOR, FOURTH DISTRICT SANTA CLARA COUNTY

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA
FINAL BUDGET FOR FISCAL YEAR 2004-2005**

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ACTUAL EXPENDITURES FOR FISCAL YEAR 2003-04

AND

SUMMARY OF FISCAL YEAR 2004-05 OPERATING BUDGET

Expenditure Classification and Account Number	2003-04 EXPENDITURES		2004-05 FINAL BUDGET				
	Budgeted	Actual	Administration	Engin.	Operations	Disposal & NPS	Total
SALARIES AND EMPLOYEE BENEFITS							
010 Salaries	\$2,039,296	1,937,263	\$ 588,703	\$ 430,440	\$ 807,265	\$ 242,618	\$2,069,026
020 Employee Benefits	752,048	539,799	312,316	172,794	396,784	76,627	958,521
Total Salaries and Employee Benefits	\$2,791,344	\$2,477,062	\$901,019	\$603,234	\$1,204,049	\$319,245	\$3,027,547
MAINTENANCE AND OPERATIONS							
030 Directors' Fees	30,410	19,756	30,796				30,796
060 Gasoline, Oil & Fuel	32,000	38,059			32,700		32,700
070 Insurance	143,800	92,595	61,000	24,000	60,000		145,000
080 Memberships	24,460	29,705	23,970	5,450	960		30,380
090 Office Expense	72,550	55,174	112,046	31,400	4,400		147,846
100 Engineering Field Supplies	1,100	331					
110 Contractual Services	848,140	825,403	30,300	154,000	576,900		761,200
111 Treatment Plant Operation	5,699,800	4,222,203				5,060,000	5,060,000
115 Clean Water Program (NPS)	273,350	221,698				273,350	273,350
120 Professional Services	288,900	282,950	230,380	56,500	1,500		288,380
130 Printing & Public Notices	15,300	7,519	6,800	2,000	1,300		10,100
140 Rents and Leases	11,900	6,855	8,500		3,400		11,900
150 Repairs and Maintenance	154,700	146,465	500		154,450		154,950
170 Professional Development	69,900	58,850	33,450	5,350	33,000		71,800
190 Utilities	66,240	60,327	48,740		17,500		66,240
200 Miscellaneous	15,560	15,757	4,435	1,075	10,000		15,510
210 Revenue Bond Debt Service	1,108,120	1,070,097				1,096,500	1,096,500
Total Maintenance and Operations	\$8,856,230	\$7,153,744	\$590,917	\$279,775	\$896,110	\$6,429,850	\$8,196,652

EXPENDITURES

2004-05 FINAL BUDGET

Expenditure Classification
and Account Number
CAPITAL OUTLAY

	Budgeted	Actual	Administration	Engin.	Operations	Disposal & NPS	Total
General Fixed Assets	\$ 586,000	\$ 325,148	\$ 52,000	\$ 17,000	\$ 537,000	\$ -	\$ 606,000
Subsurface Lines	2,660,000	1,734,020		2,626,000			2,626,000
Septic System Abandonment Program	25,000	-		25,000			25,000
Treatment Plant & Joint Lines	5,562,689	1,812,621				4,928,109	4,928,109
TOTAL CAPITAL OUTLAY	\$ 8,833,689	\$ 3,871,789	\$ 52,000	\$ 2,668,000	\$ 537,000	\$ 4,928,109	\$ 8,185,109
Less Discount Factor	1,325,053	-					1,227,766
NET CAPITAL OUTLAY	\$ 7,508,636	\$ 3,871,789	\$ 52,000	\$ 2,668,000	\$ 537,000	\$ 4,928,109	\$ 6,957,343

RESERVES

Building Repairs	30,944	30,944					30,944
Unemployment Insurance	18,900	18,900					18,900
Vehicle Damage Insurance	175,000	175,000					175,000
Accrued Sick Leave and Vacation	145,266	145,266					145,266
Vehicle Replacement	883,000	883,000					883,000
Capacity Acquisitions	2,500,000	2,750,000					2,500,000
Capital Fund Reserves	14,345,899	19,329,227					14,749,101
TOTAL RESERVES	\$ 18,099,009	\$ 23,332,337					\$ 18,472,211

SUMMARY

Salaries & Employee Benefits	2,791,344	2,477,062	901,019	603,234	1,204,049	319,245	3,027,547
District Maintenance & Operations	1,774,960	1,639,746	590,917	279,775	896,110		1,766,802
Treatment Plant Operation	5,699,800	4,222,203				5,060,000	5,060,000
Clean Water Program (NPS)	273,350	221,698				273,350	273,350
Revenue Bond Debt Service	1,108,120	1,070,097				1,096,500	1,096,500
Capital Outlay - General	586,000	325,148	52,000	17,000	537,000		606,000
Capital Outlay - Subsurface Lines	2,660,000	1,734,020		2,626,000			2,626,000
Capital Outlay - SSAP	25,000	-		25,000			25,000
Capital Outlay - Plant	5,562,689	1,812,621				4,928,109	4,928,109
Capital Outlay - Discount Factor	(1,325,053)	-					(1,227,766)
TOTAL EXPENDITURES	\$ 19,156,210	\$ 13,502,595	\$ 1,543,936	\$ 3,551,009	\$ 2,637,159	\$ 11,677,204	\$ 18,181,542

TOTAL EXPENDITURES AND RESERVES

\$ 37,255,219 **\$ 36,834,932**

\$ 36,653,753

DETAIL OF SALARIES AND EMPLOYEE BENEFITS, FISCAL YEAR 2004-05 OPERATING BUDGET

	Employees	Administration & Info. Svc.	Engineering & Operations		Disposal and NPS	Total
			Engin.	Operations		
GENERAL MANAGER	1	\$ 45,290	\$ 38,820	\$ 38,820	\$ 6,470	\$ 129,400
ADMINISTRATION DIVISION:						
Director of Admin./Information Services	1	109,516				109,516
Senior Account Clerk	1	58,492				58,492
Account Clerk II	2	108,759				108,759
Administrative Assistant II	1	55,707				55,707
Information Services Coordinator	1	94,415				94,415
Engineering Technician-Part Time	1	41,160				41,160
Engineering Technician/Inspector	1	33,813	33,813			67,626
ENGINEERING & OPERATIONS DIVISION:						
Director of Engineering/Operations	1		57,683	57,683		115,366
Senior Engineer	1		100,271			100,271
Construction Inspection Manager	1		94,212			94,212
Assistant Engineer (New Hire)	1		64,834			64,834
Operations Supervisor	1			94,212		94,212
Maintenance Leadworker (Specialized)	3			135,796	66,885	202,681
Maintenance Worker II	3			133,129	27,267	160,396
Maintenance Worker II (Specialized)	2			100,273	19,797	120,070
Maintenance Worker I (Specialized)	1			55,873		55,873
Maintenance Worker I (New Hire)	1			43,761		43,761
Custodian	1			52,726		52,726
MISCELLANEOUS:						
WVCWP Program Manager	1				62,999	62,999
WVCWP Staff	3				59,200	59,200
Student Intern	1		15,001			15,001
Compensation for On-Call Duty				21,840		21,840
Overtime Contingency & Out of Class				17,712		17,712
Salary Contingency		16,898	11,265	28,163		56,326
Grade Certification Premium				2,621		2,621
Performance Incentive Contingency		24,653	14,541	24,656		63,850
TOTAL SALARIES		588,703	430,440	807,265	242,618	2,069,026
EMPLOYEE BENEFITS:						
Retirement		97,479	69,285	131,476	20,810	319,050
Workers' Compensation		9,543	11,125	48,129	9,086	77,883
Employee Group Insurance		156,967	58,303	148,676	25,473	389,419
FICA & SDI Employer Tax		48,327	34,081	68,503	21,258	172,169
TOTAL BENEFITS		312,316	172,794	396,784	76,627	958,521
TOTAL SALARIES AND BENEFITS		\$ 901,019	\$ 603,234	\$ 1,204,049	\$ 319,245	\$ 3,027,547

**SCHEDULE OF AVAILABLE FUNDS
AND BALANCE IN OPERATING FUND JUNE 30, 2004 AND JUNE 30, 2005**

	Actual Fiscal Year 2003-04	Final Budget Fiscal Year 2004-05
BALANCE IN OPERATING FUND - JULY 1	\$ 24,259,155	\$ 23,332,337
FISCAL YEAR REVENUES:		
Operating Revenues:		
Sewer Service Charges		
Collected on Tax Roll	10,472,689	11,337,000
County Collection Fee (1%)	(105,017)	(113,370)
Direct Billings	498,237	410,000
At Issuance of Permits	29,168	32,000
Total Sewer Service Charges Net	10,895,077	11,665,630
Fees for Other Services		
Permit and Inspection Fees	132,495	118,000
Connection Fees	136,488	137,000
Treatment Plant Capacity Fees	263,229	240,000
Overhead Billed	-	-
Plan Checking Fees	1,750	1,000
Storm Drain Fees	91,447	73,000
Clean Water Program (NPS)	417,082	460,000
Total Fees for Other Services	1,042,491	1,029,000
Total Operating Revenues	11,937,568	12,694,630
Non-Operating Revenues		
Interest	378,088	413,906
SSAP Principal Payments	165,142	139,000
SSAP Interest Payments	84,260	73,000
County Collection Fee (1%)	(2,238)	(2,120)
Annexation Charges	2,500	2,000
Other	10,457	1,000
Total Non-Operating Revenues	638,209	626,786
TOTAL FISCAL YEAR REVENUES	12,575,777	13,321,416
TOTAL FUNDS AVAILABLE	36,834,932	36,653,753
FISCAL YEAR EXPENDITURES	13,502,595	18,181,542
BALANCE IN OPERATING FUND - JUNE 30	\$ 23,332,337	\$ 18,472,211

DETAIL OF FISCAL YEAR 2004-05 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
DIRECTORS' FEES						
030-01	Board Meeting Fees	\$ 26,880				\$ 26,880
030-02	Miscellaneous Meetings	3,000				3,000
030-03	Sewer Advisory Board Fees	916				916
TOTAL		30,796				30,796
GASOLINE, OIL AND FUEL						
060-01	Vehicles and Equipment			32,000		32,000
060-02	Storage Tank and Haz-Mat Permits			700		700
TOTAL				32,700		32,700
INSURANCE						
070-01	General District Insurance	36,000	24,000	60,000		120,000
070-02	Insurance Deductible	25,000				25,000
TOTAL		61,000	24,000	60,000		145,000
MEMBERSHIPS						
080-01	American Public Works Association	250	150			400
080-02	American Society for Testing and Materials					
080-03	California Public Employers Labor Relations Association	250				250
080-04	California Association of Sanitation Agencies	16,000				16,000
080-05	California Water Environment Association (CWEA)	250		900		1,150
080-06	Risk Management	100				100
080-07	Santa Clara County Intergovernmental Employee Relations Service	6,200				6,200
080-08	Santa Clara County Special Districts Association	50				50
080-09	American Society of Civil Engineers		250			250
080-11	Water Environment Federation (WEF)		550			550
080-12	Other	500				500
080-18	Maintenance Superintendents Association	120		60		180
080-19	Water Evn. Research Federation (WERF)		4,000			4,000
080-20	Pipe Users Group		500			500
080-25	Public Agency Coalition-PERS/PAC	250				250
TOTAL		23,970	5,450	960		30,380
OFFICE EXPENSES						
090-01	Annexation/Detachment Fees	1,000				1,000
090-02	Assessors Maps	1,000				1,000
090-03	Books, Manuals, Periodicals	1,000	1,000	1,000		3,000
090-04	County and City Maps (Digital)	1,000				1,000
090-05	Photographic Supplies	50	500	500		1,050
090-06	Postage	6,000				6,000
090-07	Miscellaneous Office Expense	16,000	2,100	1,800		19,900
090-08	Computer Software & Support	60,000	26,800			86,800
090-10	Microfiche Publishers	100				100
090-11	Video Tapes			100		100
090-12	Computer Supplies, Hardware & Misc.	25,296	1,000	1,000		27,296
090-14	Microfiche Files	100				100
090-17	County Recorder Fees	500				500
TOTAL		112,046	31,400	4,400		147,846

DETAIL OF FISCAL YEAR 2004-05 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
CONTRACTUAL SERVICES						
110-01	Area Y Trunk Sewer Maintenance					
110-05	City of San Jose Camden Avenue Sewer					
110-06	Electrical Repairs			1,000		1,000
110-12	Los Gatos Town Sewer Maintenance			543,600		543,600
110-13	Protective Clothing			15,000		15,000
110-14	Line Location Assistance		500			500
110-15	Pipeline Relocation and Repair		100,000			100,000
110-20	City & County Inspection Fees		15,000			15,000
110-22	Drug & Alcohol Testing Program (DATCO)			2,200		2,200
110-24	Computer Accounting Services - B of A	11,000				11,000
110-25	Water Records - SJ Water Co	1,500				1,500
110-27	County Assessor Parcel Files/Basemap	15,000				15,000
110-31	Office Equipment Maintenance	100				100
110-34	Gardening Services			4,200		4,200
110-40	Underground Storage Tank Monitoring			1,500		1,500
110-41	CHP/DOT Vehicle Inspections					
110-42	Metering Station Operation		15,000			15,000
110-43	TV Inspections for I&I Program		20,000			20,000
110-45	Underground Service Alert		2,500	1,300		3,800
110-47	Testing Laboratory Service			1,500		1,500
110-50	Other		1,000	1,600		2,600
110-51	Real Estate Digital Map (Metroscan)	2,200				2,200
110-52	Assessor's Map (Barclay)	500				500
110-53	HVAC Maintenance/Repair			2,000		2,000
110-54	Emergency Generator/Fire Alarm			3,000		3,000
TOTAL		30,300	154,000	576,900		761,200
TREATMENT PLANT OPERATION						
111-01	Treatment Plant Operation				6,360,000	6,360,000
	Less prior year credit				(1,300,000)	(1,300,000)
TOTAL					5,060,000	5,060,000
WEST VALLEY CLEAN WATER PROGRAM (NPS)						
115-01	SCV Prog. Assmt./Industrial Inspection				187,000	187,000
115-02	Non-payroll Operating Expenses				86,350	86,350
TOTAL					273,350	273,350

DETAIL OF FISCAL YEAR 2004-05 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
PROFESSIONAL SERVICES						
120-01	Accounting and Audit	98,880				98,880
120-02	Legal - General	54,500				54,500
120-07	Legal - Litigation	8,000				8,000
120-04	Misc Computer Applications	22,000	1,500	1,500		25,000
120-05	Management Consulting	17,000				17,000
120-11	Upgrade of Taxroll & Parcel Info. Sys.	30,000	25,000			55,000
120-13	Geographic Information System		30,000			30,000
TOTAL		230,380	56,500	1,500		288,380
PRINTING AND PUBLIC NOTICES						
130-01	Advertising/Public Notices	2,000				2,000
130-02	Blueprinting	800	1,000	300		2,100
130-03	Printing	3,500	500	1,000		5,000
130-04	Printing SL Maps	500	500			1,000
TOTAL		6,800	2,000	1,300		10,100
RENTS AND LEASES						
140-01	Equipment Rental			3,000		3,000
140-03	Communication Equipment Rental			400		400
140-04	Photocopy Machine	8,500				8,500
TOTAL		8,500		3,400		11,900
REPAIRS AND MAINTENANCE						
Equipment Repairs and Maintenance						
150-01	Air Compressor AC3			800		800
150-03	Fire Extinguisher Refills			700		700
150-04	Pump, Portable			150		150
150-05	Rodder, Spartan			2,000		2,000
150-06	Tractor, Backhoe MV38			8,000		8,000
150-07	Rodder, Flexible MV40			1,200		1,200
150-08	Water Truck MV37					
150-09	HV Cleaner, Engine, Pump, Reel			8,000		8,000
150-10	Gasoline Pump / Alarm System			1,000		1,000
150-11	Forklift MV64			250		250
150-12	Auxiliary Generator					
150-13	TV Inspection Equipment, Parts			10,000		10,000
150-14	Miscellaneous Equipment Repairs	500		2,000		2,500
150-15	Janitorial Supplies			3,000		3,000
150-16	Building & Grounds Maintenance			15,000		15,000
150-17	Building Repairs			5,000		5,000
Motor Vehicle Maintenance						
150-18	Routine Service and Repair			2,500		2,500
150-19	Small Parts and Supplies, Batteries			11,000		11,000
150-20	Tires, Tube Repairs, Balance, Alignment			5,500		5,500
150-21	Upholster Seats			1,000		1,000
150-22	Paint Vehicles, Repair Dents			5,000		5,000
150-23	Damage Repair, Major			1,000		1,000

DETAIL OF FISCAL YEAR 2004-05 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
Sewer Maintenance Supplies						
150-24	Gravel, Pipe Bedding, Fill Sand			1,200		1,200
150-25	Grease, Oil, Solvents			1,000		1,000
150-26	Paint, Electrical, Dry Batteries, Locks, Hardware, Mechanical Tools			5,000		5,000
150-27	Rain Gear, Boots, Gloves			1,600		1,600
150-28	Rods, Plugs, Cleanout Balls, Test Balls, Cleaning Tools, Hoses and Fittings			15,000		15,000
150-29	Root Control Chemicals and Supplies			1,000		1,000
150-30	Sewer Chemicals (Other than Root Control), Chlorine, Dye, Odor Blocks			1,000		1,000
150-31	Sewer Pipe and Fittings			5,000		5,000
150-32	Traffic Warning & Safety Devices, Jackets, Safety Shoes, Scott Paks, Tri-Tester			10,000		10,000
150-33	Welding Supplies			1,000		1,000
Surface Repair and Maintenance						
Streets and Easements						
150-34	Rings, Bolt Downs, Frames, Covers			3,000		3,000
150-35	Seeds, Hay, Witness Posts			150		150
150-36	Manhole Repair Material			800		800
150-37	Paving Material			2,500		2,500
150-38	Building Material			2,500		2,500
150-39	Miscellaneous Repair Supplies			600		600
150-40	Subsurface Line Repair			5,000		5,000
150-42	Emergency Overflow Expense			15,000		15,000
TOTAL		500		154,450		154,950

PROFESSIONAL DEVELOPMENT

170-01	Tuition Reimbursement	750	750	1,500		3,000
170-02	Water Environment Federation Conference	2,600		3,300		5,900
170-03	CASA Conference - Directors	8,500				8,500
170-04	CASA Conference - Attorney	3,500				3,500
170-05	CASA Conference - Staff	8,000				8,000
170-06	CWEA Conference - Manager	800				800
170-07	CWEA Conference - Staff		1,000	3,000		4,000
170-08	CWEA,APWA&ASCE Local Section		400	200		600
170-09	City Management Meetings	50				50
170-10	Safety Training		200	15,000		15,200
170-11	Special Districts Association Meetings	50				50
170-12	American Public Works Assoc. Conference	1,200				1,200
170-13	MSA	1,000				1,000
170-15	Other	6,000	3,000	10,000		19,000
170-16	NASTT-Trenchless Technology					
170-17	Software Training	1,000				1,000
TOTAL		33,450	5,350	33,000		71,800

UTILITIES

190-01	Electricity and Gas, Office & Shop	21,700				21,700
190-03	Radio Communications/Repairs			5,500		5,500
190-04	Telephone	13,500				13,500
190-05	Trash Disposal			5,000		5,000
190-06	Water: Office, Shop, and Grounds	2,800				2,800
190-07	Water for Sewer Cleaning			7,000		7,000
190-10	Email-Internet Access	10,740				10,740
TOTAL		48,740		17,500		66,240

DETAIL OF FISCAL YEAR 2004-05 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
MISCELLANEOUS						
200-01	Miscellaneous	500	250	750		1,500
200-02	Automobile Mileage Allowance	200				200
200-03	Refunds	200				200
200-04	Safety Awards	225	125	750		1,100
200-05	Employee Recognition	2,500				2,500
200-07	Licenses / Registration	450	400	1,800		2,650
200-08	Excavation & Environmental Health Permits			3,500		3,500
200-12	Physicals/Innoculations	300	300	2,000		2,600
200-13	Overtime Meals	60		1,200		1,260
TOTAL		4,435	1,075	10,000		15,510
REVENUE BOND DEBT SERVICE						
210-02	Revenue Bond Debt Service/Water Reclam.				606,360	606,360
210-03	Revenue Bond Debt Service/CSCDA				490,140	490,140
TOTAL					1,096,500	1,096,500
TOTAL OPERATING EXPENSES		\$590,917	\$279,775	\$896,110	\$6,429,850	\$8,196,652

CAPITAL OUTLAY 2004-05 BUDGET DETAIL

Account Number	Expense Classification	45*	42*	41*	43*	Total
		Admin.	Engin.	Operations	Disposal & NPS	
GENERAL FIXED ASSETS						
Property Improvements						
12060-08	Maintenance Building Security			30,000		30,000
12060-09	Administration Roof Replacement			10,000		10,000
12060-10	Fire Supression for Server Room			10,000		10,000
12060-11	Radio System Upgrade			15,000		15,000
Subtotal Property Improvements				65,000		65,000
Vehicles						
12070-53	Water Truck			150,000		150,000
12070-57	TV Truck Equipment			92,000		92,000
12070-58	Rod Truck Replacement			157,000		157,000
12070-59	Utility Truck Replacement			40,000		40,000
Furniture and Equipment						
12070-61	PC Tablets, Computer Terminals/Hardware			33,000		33,000
12080-23	Administration Furniture & Equipment	9,000				9,000
12080-25	Computer Terminal/Hardware	3,000				3,000
12080-27	CMMS/GIS	40,000				40,000
12090-07	Engineering Furniture & Equipment		4,000			4,000
12090-09	Computer Terminal/Hardware		3,000			3,000
12090-12	Plotter		10,000			10,000
Subtotal Vehicles, Furniture and Equipment		52,000	17,000	472,000		541,000
TOTAL GENERAL FIXED ASSETS		52,000	17,000	537,000		606,000

CAPITAL OUTLAY 2004-05 BUDGET DETAIL

Account Number	Expense Classification	45*	42*	41*	43*	Total
		Admin.	Engin.	Operations	Disposal & NPS	
SUBSURFACE LINES - GENERAL						
14020-02	Sewer Extension Revolving Fund Projects		40,000			40,000
	Subtotal Subsurface Lines - General		40,000			40,000
SUBSURFACE LINES - REHABILITATION						
14020-74	Saratoga Village Sewer Rehab. ,Area 2		-			
14020-76	Saratoga Village Sewer Rehab. ,Area 3		51,000			51,000
14020-79	Santa Cruz Ave. Sewer Rehabilitation		15,000			15,000
14020-80	Hamilton Basin 1/Leigh Basin 3 Rehab.		500,000			500,000
14020-84	Los Gatos Area 4 Rehabilitation		1,500,000			1,500,000
14020-85	Los Gatos Area 5 Rehabilitation		100,000			100,000
14020-22	Emergency Repairs		74,000			74,000
	Subtotal Subsurface Lines - Rehabilitation		2,240,000			2,240,000
SUBSURFACE LINES - UPGRADE						
14020-36	Sewer System Upgrade		100,000			100,000
14020-66	District Manhole Adjustments		50,000			50,000
14020-83	Reservoir Road Sewer Improvement		96,000			96,000
	Subtotal Subsurface Lines - Upgrade		246,000			246,000
SUBSURFACE LINES - TRUNK SEWERS						
14020-86	Trunk Sewer Survey		100,000			100,000
	Subtotal Subsurface Lines - Trunk Sewers		100,000			100,000
TOTAL - SUBSURFACE LINES						
			2,626,000			2,626,000

CAPITAL OUTLAY 2004-05 BUDGET DETAIL

Account Number	Expense Classification	45*	42*	41*	43*	Total
		Admin.	Engin.	Operations	Disposal & NPS	
TREATMENT PLANT AND SAN JOSE JOINT LINES						
14030-03	WWTP Projects				307,000	307,000
14030-04	Capital Replacement Fund - TP				159,000	159,000
14030-35	SRF Loan Repayment				377,109	377,109
14030-12	4th Interceptor - Phase IVIVA				-	
14030-15	60" Brick Interceptor Rehab - Phase IIIB				71,000	71,000
14030-17	84" RCP Interceptor				500,000	500,000
14030-23	San Tomas Aquino Trunk Rehab.				269,000	269,000
14030-25	Julian-Sunol Sewer Rehabilitation				-	
14030-34	Forest-Rosa Sewer Rehabilitation Phase II				18,000	18,000
14030-27	Forest-Rosa Supplemental				-	
14030-30	Campbell Trunk (Newhall) Rehab.				-	
14030-28	Moorpark-Saratoga Sewer Rehabilitation				-	
14030-39	San Tomas Expressway Trunk Rehab.				37,000	37,000
14030-40	South Bay Action Plan				-	
14030-	Carryover Capital Outlay				3,190,000	3,190,000
TOTAL TREATMENT PLANT AND JOINT LINES					4,928,109	4,928,109
SEPTIC SYSTEM ABANDONMENT PROGRAM						
14040-50	Septic System Abandonment Phase II				-	
14040-61	Septic Disposal Conversion Program		25,000			25,000
14040-63	Bella Vista Drive, Los Gatos				-	
TOTAL SEPTIC SYSTEM ABANDONMENT PROGRAM					25,000	25,000
TOTAL CAPITAL OUTLAY		\$52,000	\$2,668,000	\$537,000	\$4,928,109	\$8,185,109
discount	Less Discount Factor					\$1,227,766
TOTAL CAPITAL OUTLAY		\$52,000	\$2,668,000	\$537,000	\$4,928,109	\$6,957,343

FISCAL YEAR 2004-05 OPERATING BUDGET SUMMARY AND PROJECTIONS THROUGH 2008-09

OPERATING FUND APPROPRIATIONS **2003-04**** **2004-05** **2005-06** **2006-07** **2007-08** **2008-09**

Salaries and Benefits:

Administration and General	\$ 719,627	\$ 901,019	\$ 928,050	\$ 955,892	\$ 984,569	\$ 1,014,106
Service Extension	429,459	603,234	621,331	639,971	659,170	678,945
Sewer Maintenance	1,021,258	1,204,049	1,240,170	1,277,375	1,315,696	1,355,167
Sewage Disposal	306,718	319,245	328,822	338,687	348,848	359,313
Sub-Total	2,477,062	3,027,547	3,118,373	3,211,925	3,308,283	3,407,531

Maintenance and Operation:

Administration and General	447,276	590,917	608,645	626,904	645,711	665,082
Service Extension	191,331	279,775	288,168	296,813	305,717	314,889
Sewer Maintenance	1,001,139	896,110	922,993	950,683	979,203	1,008,579
Disposal & NPS	4,443,901	5,333,350	5,493,351	5,658,152	5,827,897	6,002,734
Revenue Bond Debt Service	1,070,097	1,096,500	1,330,833	1,335,456	1,360,271	1,374,679
Sub-Total	7,153,744	8,196,652	8,643,990	8,868,008	9,118,799	9,365,963

Capital Outlay :

General Fixed Assets	325,148	606,000	138,000	138,000	138,000	138,000
Subsurface Lines	1,734,020	2,626,000	1,545,000	1,550,000	1,530,000	1,610,000
Septic System Abandonment	-	25,000	25,000	25,000	25,000	25,000
Treatment Plant & Joint Lines	1,812,621	4,928,109	1,734,109	4,929,109	2,506,109	1,836,109
Discount Factor	-	(1,227,766)	(516,316)	(996,316)	(629,866)	(541,366)
Sub-Total	3,871,789	6,957,343	2,925,793	5,645,793	3,569,243	3,067,743

TOTAL EXPENDITURES

	13,502,595	18,181,542	14,688,156	17,725,726	15,996,325	15,841,237
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RESERVES

Building Repairs	30,944	30,944	31,872	32,828	33,813	34,827
Unemployment Insurance	18,900	18,900	19,467	20,051	20,653	21,273
Vehicle Damage Insurance	175,000	175,000	185,000	185,000	195,000	205,000
Accrued Sick Leave and Vacation	145,266	145,266	149,624	154,113	158,736	163,498
Vehicle Replacement	883,000	853,000	810,000	831,000	879,000	791,000
Other Operating Reserves	2,750,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Capital Fund Reserves	19,329,227	14,749,101	14,608,050	12,416,381	12,983,504	14,216,232
Sub-Total	23,332,337	18,472,211	18,304,013	16,139,373	16,770,706	17,931,830

TOTAL BUDGET

	36,834,932	36,653,753	32,992,169	33,865,099	32,767,031	33,773,067
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RESOURCES

Fund Balance at June 30	24,259,155	23,332,337	18,472,211	18,304,013	16,139,373	16,770,706
Service Charges*	10,895,077	11,665,630	12,736,651	13,635,859	14,584,778	14,730,626
SSAP Agreement Payments	247,164	209,880	201,000	185,000	166,000	134,000
Septic Conversion Program			55,000	115,000	150,000	250,000
Other Income	1,433,536	1,445,906	1,527,307	1,625,227	1,726,880	1,887,735

TOTAL RESOURCES

	\$36,834,932	\$36,653,753	\$32,992,169	\$33,865,099	\$32,767,031	\$33,773,067
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*Rate Increase:	0%	8%	8%	6%	6%	0%
Residential Rate/Month	17.80	19.25	20.80	22.05	23.35	23.35

** 2003-2004 Actual

APPENDIX A

CAPITAL IMPROVEMENT PROGRAM 2004-2009

2004-2009 CAPITAL IMPROVEMENT PROGRAM

	2003-04 <u>Actual</u>	Carryover	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year Total
CONSTRUCTION PROJECTS								
1. Wastewater Treatment Plant								
a) South Bay Action Plan	\$ 936,100							\$ -
b) WWTP Projects			\$ 307,000	\$ 800,000	\$ 1,100,000	\$ 800,000	\$ 500,000	\$ 3,507,000
c) Equipment replacement			\$ 159,000	\$ 159,000	\$ 159,000	\$ 159,000	\$ 159,000	\$ 795,000
d) SRF Loan Repayment	\$ 377,108		\$ 377,109	\$ 377,109	\$ 377,109	\$ 377,109	\$ 377,109	\$ 1,885,545
Subtotal WWTP Contributions:	\$ 1,313,208	\$ -	\$ 843,109	\$ 1,336,109	\$ 1,636,109	\$ 1,336,109	\$ 1,036,109	\$ 6,187,545
2. Joint Trunk Sewer Projects								
a) Fourth Interceptor	\$ 1,657			\$ 178,000	\$ 890,000	\$ 310,000	\$ 800,000	\$ 2,178,000
b) 60" Brick Interceptor	\$ 92,185	\$ 1,600,000	\$ 71,000	\$ 16,000				\$ 87,000
c) 60/84" RCP Interceptor	\$ 9,324	\$ 630,000	\$ 500,000		\$ 100,000	\$ 800,000		\$ 1,400,000
d) Forest-Rosa Trunk Rehab.	\$ 20,795		\$ 18,000	\$ 40,000	\$ 588,000	\$ 3,000		\$ 649,000
f) Forest-Rosa Supplement Rehab.	\$ 1,070							\$ -
g) Julian-Sunol Sewer Rehab.	\$ 222,520							\$ -
i) Campbell Trunk (Newhall) Rehab.	\$ 20,596							\$ -
j) San Tomas Aquino Trunk Rehab.	\$ 23,323		\$ 269,000	\$ 105,000				\$ 374,000
k) San Tomas Expressway Trunk Rehab.	\$ 107,941	\$ 960,000	\$ 37,000					\$ 37,000
m) Willow-Union Trunk Sewer Rehab.				\$ 59,000	\$ 1,715,000	\$ 57,000		\$ 1,831,000
n) Other Trunk Sewer Rehab	\$ 2							\$ -
Subtotal Joint Trunk Sewer Participation:	\$ 499,413	\$ 3,190,000	\$ 895,000	\$ 398,000	\$ 3,293,000	\$ 1,170,000	\$ 800,000	\$ 6,556,000
Total San Jose Projects:	\$ 1,812,621	\$ 3,190,000	\$ 1,738,109	\$ 1,734,109	\$ 4,929,109	\$ 2,506,109	\$ 1,836,109	\$ 12,743,545
Discounted Total San Jose Projects:		\$ 2,711,500	\$ 1,557,809	\$ 1,554,409	\$ 4,270,159	\$ 2,210,609	\$ 1,641,109	\$ 11,234,095
3. District Sewer Rehabilitation Program								
a) Saratoga Village Rehabilitation, Area 2	\$ 39,041							
b) Saratoga Village Rehabilitation, Area 3	\$ 1,057,760		\$ 51,000					
c) Santa Cruz Ave. Sewer Rehabilitation	\$ 28,634		\$ 15,000					
d) Hamilton Basin 1/ Leigh Basin 3 Rehab	\$ 373,218		\$ 500,000					
e) Los Gatos Area 4 Rehabilitation			\$ 1,500,000					\$ 1,500,000
f) Los Gatos Area 5 Rehabilitation			\$ 100,000	\$ 1,300,000				\$ 1,400,000
g) Basin Rehabilitation Project 8			\$ 100,000	\$ 1,300,000				\$ 1,400,000
h) Basin Rehabilitation Project 9				\$ 100,000	\$ 1,400,000			\$ 1,500,000

2004-2009 CAPITAL IMPROVEMENT PROGRAM

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>5-Year Total</u>
CONSTRUCTION PROJECTS	<u>Actual</u>	<u>Carryover</u>					
i) Basin Rehabilitation Project 10	\$ 1,498,653	\$ -	\$ 2,166,000	\$ 1,400,000	\$ 1,400,000	\$ 1,500,000	\$ 1,500,000
Subtotal District Sewer Rehabilitation:					\$ 1,400,000	\$ 1,500,000	\$ 7,866,000
4. <u>Septic System Abandonment Program</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>5-Year Total</u>
a) SSAP II & SDS Incentive Program		\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
b) Other							\$ -
Subtotal SSAP Program:	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
5. <u>Miscellaneous Construction Projects</u>							
a) Sewer System Upgrade	\$ 6,500	\$ 100,000	\$ 35,000	\$ 40,000	\$ 45,000	\$ 50,000	\$ 270,000
b) Wildcat Trunk/San Marcos Rd	\$ 48,083						\$ -
c) Emergency Repair Projects	\$ 149,487	\$ 74,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 274,000
f) District Manhole Adjustments		\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000		\$ 175,000
g) Trunk Sewer Survey		\$ 100,000					\$ 100,000
h) SERF Program	\$ 15,750	\$ 40,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 80,000
i) Reservoir Road Sewer Improvement	\$ 15,547	\$ 96,000					\$ 96,000
Subtotal Miscellaneous Construction:	\$ 235,367	\$ 460,000	\$ 145,000	\$ 150,000	\$ 130,000	\$ 110,000	\$ 995,000
NON-CONSTRUCTION CAPITAL							
1. Vehicles & Equipment	\$137,283	\$541,000	\$128,000	\$128,000	\$128,000	\$128,000	\$ 1,053,000
2. Property Improvements	\$187,865	\$65,000	\$10,000	\$10,000	\$10,000	\$10,000	\$ 105,000
Subtotal Non-Construction Capital:	\$325,148	\$606,000	\$138,000	\$138,000	\$138,000	\$138,000	\$ 1,158,000
<i>Total Capital Carryover:</i>	\$ 3,190,000	\$ 3,190,000					
TOTAL CAPITAL OUTLAY:	\$ 3,871,789	\$ 8,185,109	\$ 3,442,109	\$ 6,642,109	\$ 4,199,109	\$ 3,609,109	\$ 22,887,545
Discount Factor	\$ 478,500	\$1,227,766	\$516,316	\$996,316	\$629,866	\$541,366	\$3,911,631
ADJUSTED CAPITAL OUTLAY:	\$ 3,871,789	\$ 2,711,500	\$ 6,957,343	\$ 5,645,793	\$ 3,569,243	\$ 3,067,743	\$ 18,975,914



