

**FINAL BUDGET
FISCAL YEAR 2005-2006**

**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 2005-2006**

**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	COUNCILMEMBER, CITY OF CAMPBELL
DIANE MC NUTT	MAYOR, TOWN OF LOS GATOS
DAVID BAXTER	VICE MAYOR, 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 2005-2006**

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ACTUAL EXPENDITURES FOR FISCAL YEAR 2004-05

AND

SUMMARY OF FISCAL YEAR 2005-06 OPERATING BUDGET

Expenditure Classification and Account Number	2004-05 EXPENDITURES		2005-06 FINAL BUDGET				Total
	Budgeted	Actual	Administration	Engin.	Operations	Disposal & NPS	
SALARIES AND EMPLOYEE BENEFITS							
010 Salaries	\$2,069,026	2,097,134	\$ 648,565	\$ 473,047	\$ 872,660	\$ 234,551	\$2,228,823
020 Employee Benefits	958,521	761,229	399,061	233,731	472,080	82,514	1,187,386
Total Salaries and Employee Benefits	\$3,027,547	\$2,858,363	\$1,047,626	\$706,778	\$1,344,740	\$317,065	\$3,416,209
MAINTENANCE AND OPERATIONS							
030 Directors' Fees	30,796	18,344	28,460				28,460
060 Gasoline, Oil & Fuel	32,700	43,001			42,500		42,500
070 Insurance	145,000	105,310	61,000	24,000	60,000		145,000
080 Memberships	30,380	28,452	22,170	6,350	1,500		30,020
090 Office Expense	147,846	111,447	68,200	19,690	28,310		116,200
110 Contractual Services	761,200	610,107	28,700	145,600	281,530		455,830
111 Treatment Plant Operation	5,060,000	5,179,604				4,551,957	4,551,957
115 Clean Water Program (NPS)	273,350	247,508				288,495	288,495
120 Professional Services	288,380	263,000	262,500	100,000	1,500		364,000
130 Printing & Public Notices	10,100	12,038	5,500	2,500	2,800		10,800
140 Rents and Leases	11,900	7,750	8,500		3,400		11,900
150 Repairs and Maintenance	154,950	155,362	500		168,300		168,800
170 Professional Development	71,800	47,997	30,600	5,350	33,000		68,950
190 Utilities	66,240	64,846	51,600		22,500		74,100
200 Miscellaneous	15,510	7,927	4,325	1,075	10,000		15,400
210 Revenue Bond Debt Service	1,096,500	989,543				1,652,108	1,652,108
Total Maintenance and Operations	\$8,196,652	\$7,892,236	\$572,055	\$304,565	\$655,340	\$6,492,560	\$8,024,520

2004-05
EXPENDITURES

2005-06 FINAL BUDGET

Expenditure Classification
and Account Number
CAPITAL OUTLAY

	Budgeted	Actual	Administration	Engin.	Operations	Disposal & NPS	Total
General Fixed Assets	\$ 606,000	\$ 446,779	\$ 6,000	\$ 14,000	\$ 172,000	\$ -	\$ 192,000
Subsurface Lines	2,626,000	1,853,016		5,207,000			5,207,000
Septic System Abandonment Program	25,000	-		25,000			25,000
Treatment Plant & Joint Lines	4,928,109	2,143,630				1,225,300	1,225,300
TOTAL CAPITAL OUTLAY	\$ 8,185,109	\$ 4,443,425	\$ 6,000	\$ 5,246,000	\$ 172,000	\$ 1,225,300	\$ 6,649,300
Less Discount Factor	1,227,766	-					641,595
NET CAPITAL OUTLAY	\$ 6,957,343	\$ 4,443,425	\$ 6,000	\$ 5,246,000	\$ 172,000	\$ 1,225,300	\$ 6,007,705

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	223,668					223,668
Vehicle Replacement	853,000	883,000					830,000
Capacity Acquisitions	2,500,000	2,750,000					2,500,000
Capital Fund Reserves	14,749,101	18,157,325					22,859,532
TOTAL RESERVES	\$ 18,472,211	\$ 22,238,837					\$ 26,638,044

SUMMARY

Salaries & Employee Benefits	3,027,547	2,858,363	1,047,626	706,778	1,344,740	317,065	3,416,209
District Maintenance & Operations	1,766,802	1,475,581	572,055	304,565	655,340		1,531,960
Treatment Plant Operation	5,060,000	5,179,604				4,551,957	4,551,957
Clean Water Program (NPS)	273,350	247,508				288,495	288,495
Revenue Bond Debt Service	1,096,500	989,543				1,652,108	1,652,108
Capital Outlay - General	606,000	446,779	6,000	14,000	172,000		192,000
Capital Outlay - Subsurface Lines	2,626,000	1,853,016		5,207,000			5,207,000
Capital Outlay - SSAP	25,000	-		25,000			25,000
Capital Outlay - Plant	4,928,109	2,143,630				1,225,300	1,225,300
Capital Outlay - Discount Factor	(1,227,766)	-					(641,595)
TOTAL EXPENDITURES	\$ 18,181,542	\$ 15,194,024	\$ 1,625,681	\$ 6,257,343	\$ 2,172,080	\$ 8,034,925	\$ 17,448,434

TOTAL EXPENDITURES AND RESERVES

TOTAL EXPENDITURES AND RESERVES	\$ 36,653,753	\$ 37,432,861					\$ 44,086,478
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DETAIL OF SALARIES AND EMPLOYEE BENEFITS, FISCAL YEAR 2005-06 OPERATING BUDGET

	Employees	Administration & Info. Svc.	Engineering & Operations		Disposal and NPS	Total
			Engin.	Operations		
GENERAL MANAGER	1	\$ 49,000	\$ 42,000	\$ 42,000	\$ 7,000	\$ 140,000
ADMINISTRATION DIVISION:						
Director of Admin./Information Services	1	116,388				116,388
Senior Account Clerk	1	60,291				60,291
Account Clerk II	2	114,804				114,804
Administrative Assistant II	1	57,402				57,402
Information Services Coordinator	1	97,248				97,248
Accountant (New Hire 1/1/06)	1	40,040				40,040
Engineering Technician-Part Time	1	43,200				43,200
Engineering Technician/Inspector	1	34,842	34,842			69,684
ENGINEERING & OPERATIONS DIVISION:						
Director of Engineering/Operations	1		61,310	61,310		122,620
Senior Engineer	1		103,284			103,284
Construction Inspection Manager (Inactive)	1		72,770			72,770
Engineering Technician/Inspector (New Hire)	1		60,197			60,197
Associate Engineering Tech.	1		60,197			60,197
Operations Supervisor	1			97,044		97,044
Maintenance Leadworker (Specialized)	2			104,483	51,461	155,944
Maintenance Worker II (1 New Hire)	4			197,916	30,468	228,384
Maintenance Worker II (Specialized)	3			169,206	20,913	190,119
Maintenance Worker I (New Hire)	1			44,699		44,699
Custodian	1			54,332		54,332
MISCELLANEOUS:						
WVCWP Program Manager	1				67,001	67,001
WVCWP Staff	3				48,720	48,720
Student Intern	1		15,001			15,001
Compensation for On-Call Duty				33,280		33,280
Overtime Contingency & Out of Class				23,700	3,000	26,700
Salary Contingency		17,060	10,640	16,580	1,720	46,000
Grade Certification Premium				2,500		2,500
Performance Incentive Contingency		18,290	12,806	25,610	4,268	60,974
TOTAL SALARIES		648,565	473,047	872,660	234,551	2,228,823
EMPLOYEE BENEFITS:						
Retirement		147,777	104,729	186,482	26,053	465,041
Workers' Compensation		8,784	10,386	45,279	7,534	71,983
Employee Group Insurance		189,873	80,771	167,137	28,638	466,419
FICA & SDI Employer Tax		52,627	37,845	73,182	20,289	183,943
TOTAL BENEFITS		399,061	233,731	472,080	82,514	1,187,386
TOTAL SALARIES AND BENEFITS		\$ 1,047,626	\$ 706,778	\$ 1,344,740	\$ 317,065	\$ 3,416,209

**SCHEDULE OF AVAILABLE FUNDS
AND BALANCE IN OPERATING FUND JUNE 30, 2005 AND JUNE 30, 2006**

	ACTUAL Fiscal Year 2004-05	FINAL BUDGET Fiscal Year 2005-06
BALANCE IN OPERATING FUND - JULY 1	\$ 23,332,337	\$ 22,238,837
FISCAL YEAR REVENUES:		
Operating Revenues:		
Sewer Service Charges		
Collected on Tax Roll	11,334,525	12,340,000
County Collection Fee (1%)	(113,466)	(123,400)
Direct Billings	430,328	610,000
At Issuance of Permits	61,758	35,000
Total Sewer Service Charges Net	11,713,145	12,861,600
Fees for Other Services		
Permit and Inspection Fees	164,800	130,000
Connection Fees	292,390	200,000
Treatment Plant Capacity Fees	787,640	290,000
Overhead Billed	3,830	4,000
Plan Checking Fees	3,250	2,000
Storm Drain Fees	47,375	62,000
Clean Water Program (NPS)	444,963	470,000
Total Fees for Other Services	1,744,248	1,158,000
Total Operating Revenues	13,457,393	14,019,600
Non-Operating Revenues		
Interest	396,980	721,889
SSAP Principal Payments	169,583	128,000
SSAP Interest Payments	74,235	74,000
County Collection Fee (1%)	(2,126)	(2,020)
Annexation Charges	500	1,000
Sale of Treatment Plant Capacity		6,904,172
Other	3,959	1,000
Total Non-Operating Revenues	643,131	7,828,041
TOTAL FISCAL YEAR REVENUES	14,100,524	21,847,641
TOTAL FUNDS AVAILABLE	37,432,861	44,086,478
FISCAL YEAR EXPENDITURES	15,194,024	17,448,434
BALANCE IN OPERATING FUND - JUNE 30	\$ 22,238,837	\$ 26,638,044

DETAIL OF FISCAL YEAR 2005-06 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
DIRECTORS' FEES						
030-01	Board Meeting Fees	\$ 24,000				\$ 24,000
030-02	Miscellaneous Meetings	3,500				3,500
030-03	Sewer Advisory Board Fees	960				960
TOTAL		28,460				28,460
GASOLINE, OIL AND FUEL						
060-01	Vehicles and Equipment			42,000		42,000
060-02	Storage Tank and Haz-Mat Permits			500		500
TOTAL				42,500		42,500
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	350	150			500
080-03	California Public Employers Labor Relations Association	500				500
080-04	California Association of Sanitation Agencies	14,000				14,000
080-05	California Water Environment Association (CWEA)	250		1,500		1,750
080-07	Santa Clara County Intergovernmental Employee Relations Service	6,200				6,200
080-09	American Society of Civil Engineers		500			500
080-11	Water Environment Federation (WEF)		700			700
080-12	Other	870	500			1,370
080-19	Water Evn. Research Federation (WERF)		4,000			4,000
080-20	Pipe Users Group		500			500
TOTAL		22,170	6,350	1,500		30,020
OFFICE EXPENSES						
090-01	Annexation/Detachment Fees	1,000				1,000
090-02	Assessors Maps	1,000				1,000
090-03	Books, Manuals, Periodicals	1,200	1,000	1,000		3,200
090-04	County and City Maps (Digital)	1,000				1,000
090-05	Photographic Supplies		500	500		1,000
090-06	Postage	6,000				6,000
090-07	Miscellaneous Office Expense	19,000	2,100	1,900		23,000
090-08	Computer Software & Support	13,500	15,090	23,910		52,500
090-12	Computer Supplies, Hardware & Misc.	25,000	1,000	1,000		27,000
090-17	County Recorder Fees	500				500
TOTAL		68,200	19,690	28,310		116,200

DETAIL OF FISCAL YEAR 2005-06 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			5,000		5,000
110-12	Los Gatos Town Sewer Maintenance			232,830		232,830
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		1,000			1,000
110-22	Drug & Alcohol Testing Program (DATCO)			2,200		2,200
110-24	Computer Accounting Services - B of A	14,000				14,000
110-25	Water Records - SJ Water Co	1,500				1,500
110-27	County Assessor Parcel Files/Basemap	6,000				6,000
110-34	Gardening Services			4,200		4,200
110-40	Underground Storage Tank Monitoring			1,500		1,500
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		2,600	1,300		3,900
110-47	Testing Laboratory Service			1,500		1,500
110-50	Other		1,500	5,000		6,500
110-51	Real Estate Digital Map (Metroscan)	2,200				2,200
110-52	Assessor's Map (Barclay)					
110-53	HVAC Maintenance/Repair			4,000		4,000
110-54	Emergency Generator/Fire Alarm			3,000		3,000
110-55	County Base Map	5,000	5,000	5,000		15,000
110-56	Lift Station Monitoring			1,000		1,000
TOTAL		28,700	145,600	281,530		455,830
TREATMENT PLANT OPERATION						
111-01	Treatment Plant Operation				5,778,508	5,778,508
	Less prior year credit				(1,226,551)	(1,226,551)
TOTAL					4,551,957	4,551,957
WEST VALLEY CLEAN WATER PROGRAM (NPS)						
115-01	SCV Prog. Assmt./Industrial Inspection				193,245	193,245
115-02	Non-payroll Operating Expenses				95,250	95,250
TOTAL					288,495	288,495

DETAIL OF FISCAL YEAR 2005-06 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
PROFESSIONAL SERVICES						
120-01	Accounting and Audit	112,000				112,000
120-02	Legal - General	54,500				54,500
120-07	Legal - Litigation	8,000				8,000
120-04	Misc Computer Applications		5,000	1,500		6,500
120-05	Management Consulting	18,000				18,000
120-11	Upgrade of Taxroll & Parcel Info. Sys.	30,000	20,000			50,000
120-13	Geographic Information System		75,000			75,000
120-16	Upgrade Accounting System	40,000				40,000
TOTAL		262,500	100,000	1,500		364,000
PRINTING AND PUBLIC NOTICES						
130-01	Advertising/Public Notices	2,500				2,500
130-02	Blueprinting		1,500	300		1,800
130-03	Printing	3,000	500	1,000		4,500
130-04	Printing SL Maps		500	1,500		2,000
TOTAL		5,500	2,500	2,800		10,800
RENTS AND LEASES						
140-01	Equipment Rental			3,400		3,400
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			500		500
150-03	Fire Extinguisher Refills			1,000		1,000
150-04	Pump, Portable			500		500
150-05	Rodder, Spartan			2,000		2,000
150-06	Tractor, Backhoe MV38			2,000		2,000
150-09	HV Cleaner, Engine, Pump, Reel			20,000		20,000
150-10	Gasoline Pump / Alarm System			2,000		2,000
150-11	Forklift MV64			500		500
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			20,000		20,000
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			7,500		7,500
150-20	Tires, Tube Repairs, Balance, Alignment			5,500		5,500
150-21	Upholster Seats			500		500
150-22	Paint Vehicles, Repair Dents			5,000		5,000
150-23	Damage Repair, Major			1,000		1,000

DETAIL OF FISCAL YEAR 2005-06 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			2,000		2,000
150-28	Rods, Plugs, Cleanout Balls, Test Balls, Cleaning Tools, Hoses and Fittings			20,000		20,000
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			500		500
150-36	Manhole Repair Material			1,500		1,500
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		168,300		168,800

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	7,000				7,000
170-04	CASA Conference - Attorney	3,500				3,500
170-05	CASA Conference - Staff	7,000				7,000
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					
170-10	Safety Training		200	15,000		15,200
170-11	Special Districts Association Meetings					
170-12	American Public Works Assoc. Conference	1,200				1,200
170-13	MSA	750				750
170-15	Other	7,000	3,000	10,000		20,000
170-16	NASTT-Trenchless Technology					
TOTAL		30,600	5,350	33,000		68,950

UTILITIES

190-01	Electricity and Gas, Office & Shop	24,000		5,000		29,000
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	11,300				11,300
TOTAL		51,600		22,500		74,100

DETAIL OF FISCAL YEAR 2005-06 OPERATING EXPENSES

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
MISCELLANEOUS						
200-01	Miscellaneous	400	250	750		1,400
200-02	Automobile Mileage Allowance	500				500
200-03	Refunds	500				500
200-04	Safety Awards	225	125	750		1,100
200-05	Employee Recognition	2,000				2,000
200-07	Licenses / Registration	400	400	1,800		2,600
200-08	Excavation & Environmental Health Permits			3,500		3,500
200-12	Physicals/Innoculations	200	300	2,000		2,500
200-13	Overtime Meals	100		1,200		1,300
TOTAL		4,325	1,075	10,000		15,400
REVENUE BOND DEBT SERVICE						
210-02	Revenue Bond Debt Service/Water Reclam.				785,000	785,000
210-03	Revenue Bond Debt Service/CSCDA				490,000	490,000
210-04	State Revolving Fund Loan				377,108	377,108
TOTAL					1,652,108	1,652,108
TOTAL OPERATING EXPENSES		\$572,055	\$304,565	\$655,340	\$6,492,560	\$8,024,520

CAPITAL OUTLAY 2005-06 BUDGET DETAIL

Account Number	Expense Classification	45* Admin.	42* Engin.	41* Operations	43* Disposal & NPS	Total
GENERAL FIXED ASSETS						
Property Improvements						
12060-08	Maintenance Building Security			35,000		35,000
12060-09	Administration Roof Replacement					
12060-10	Fire Supression for Server Room			11,000		11,000
12060-11	Radio System Upgrade			17,000		17,000
	Subtotal Property Improvements			63,000		63,000
Vehicles						
12070-53	Water Truck					
12070-57	TV Truck Equipment					
12070-58	Rod Truck Replacement					
12070-59	Utility Truck Replacement			40,000		40,000
12070-62	Pickup Truck Replacement			34,000		34,000
Furniture and Equipment						
12070-61	PC Tablets, Computer Terminals/Hardware			35,000		35,000
12080-23	Administration Furniture & Equipment	3,000				3,000
12080-25	Computer Terminal/Hardware	3,000				3,000
12080-27	CMMS/GIS					
12090-07	Engineering Furniture & Equipment		1,000			1,000
12090-09	Computer Terminal/Hardware		3,000			3,000
12090-12	Plotter		10,000			10,000
	Subtotal Vehicles, Furniture and Equipment	6,000	14,000	109,000		129,000
	TOTAL GENERAL FIXED ASSETS	6,000	14,000	172,000		192,000

CAPITAL OUTLAY 2005-06 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
14020-88	Town of Los Gatos Sewer System Assets		2,372,000			2,372,000
	Subtotal Subsurface Lines - General		2,412,000			2,412,000
SUBSURFACE LINES - REHABILITATION						
14020-74	Saratoga Village Sewer Rehab. ,Area 2		-			-
14020-76	Saratoga Village Sewer Rehab. ,Area 3		-			-
14020-79	Santa Cruz Ave. Sewer Rehabilitation		-			-
14020-80	Hamilton Basin 1/Leigh Basin 3 Rehab.		-			-
14020-84	Los Gatos Basin 7 Area 1 Rehab.		70,000			70,000
14020-85	Los Gatos Basin 7 Area 2 Rehab.		1,500,000			1,500,000
14020-87	Los Gatos Basin 7 Area 3 Rehab.		1,000,000			1,000,000
14020-22	Emergency Repairs		75,000			75,000
	Subtotal Subsurface Lines - Rehabilitation		2,645,000			2,645,000
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		-			-
	Subtotal Subsurface Lines - Upgrade		150,000			150,000
SUBSURFACE LINES - TRUNK SEWERS						
14020-86	Trunk Sewer Survey		-			-
	Subtotal Subsurface Lines - Trunk Sewers					
TOTAL - SUBSURFACE LINES			5,207,000			5,207,000

CAPITAL OUTLAY 2005-06 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				-	
14030-04	Capital Replacement Fund - TP				155,300	155,300
14030-35	SRF Loan Repayment				-	
14030-12	4th Interceptor				-	
14030-15	60" Brick Interceptor Rehab				320,000	320,000
14030-17	60/84" RCP Interceptor				350,000	350,000
14030-23	San Tomas Aquino Trunk Rehab.				230,000	230,000
14030-25	Julian-Sunol Sewer Rehabilitation				-	
14030-34	Forest-Rosa Sewer Rehabilitation				100,000	100,000
14030-39	San Tomas Expressway Trunk Rehab.				10,000	10,000
14030-40	South Bay Action Plan				-	
14030-41	Willow-Union Trunk Sewer Rehab.				60,000	60,000
TOTAL TREATMENT PLANT AND JOINT LINES					1,225,300	1,225,300
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		\$6,000	\$5,246,000	\$172,000	\$1,225,300	\$6,649,300
discount	Less Discount Factor					\$641,595
TOTAL CAPITAL OUTLAY		\$6,000	\$5,246,000	\$172,000	\$1,225,300	\$6,007,705

FISCAL YEAR 2005-06 OPERATING BUDGET SUMMARY AND PROJECTIONS THROUGH 2009-10

OPERATING FUND APPROPRIATIONS	2004-05**	2005-06	2006-07	2007-08	2008-09	2009-10
Salaries and Benefits:						
Administration and General	\$ 853,771	\$ 1,047,626	\$ 1,079,055	\$ 1,111,427	\$ 1,144,770	\$ 1,179,113
Service Extension	512,596	706,778	727,981	749,820	772,315	795,484
Sewer Maintenance	1,158,839	1,344,740	1,385,082	1,426,634	1,469,433	1,513,516
Sewage Disposal	333,157	317,065	326,577	336,374	346,465	356,859
Sub-Total	2,858,363	3,416,209	3,518,695	3,624,255	3,732,983	3,844,972
Maintenance and Operation:						
Administration and General	483,145	572,055	589,217	606,894	625,101	643,854
Service Extension	146,301	304,565	313,702	323,113	332,806	342,790
Sewer Maintenance	846,135	655,340	383,685	395,196	407,052	419,264
Disposal & NPS	5,427,112	4,840,452	4,985,666	5,135,236	5,289,293	5,447,972
Revenue Bond Debt Service	989,543	1,652,108	1,712,000	1,737,000	1,751,000	1,771,000
Sub-Total	7,892,236	8,024,520	7,984,270	8,197,439	8,405,252	8,624,860
Capital Outlay :						
General Fixed Assets	446,779	192,000	35,000	35,000	180,000	130,000
Subsurface Lines	1,853,016	5,207,000	2,125,000	1,625,000	1,625,000	1,625,000
Septic System Abandonment	-	25,000	25,000	25,000	25,000	25,000
Treatment Plant & Joint Lines	2,143,630	1,225,300	2,418,300	1,768,800	1,505,300	2,350,300
Discount Factor	-	(641,595)	(690,495)	(518,070)	(500,295)	(619,545)
Sub-Total	4,443,425	6,007,705	3,912,805	2,935,730	2,835,005	3,510,755
TOTAL EXPENDITURES	15,194,024	17,448,434	15,415,770	14,757,424	14,973,240	15,980,607
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	223,668	223,668	230,378	237,289	244,408	251,740
Vehicle Replacement	883,000	830,000	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	18,157,325	22,859,532	23,391,866	25,645,323	27,966,196	29,742,074
Sub-Total	22,238,837	26,638,044	27,168,583	29,451,491	31,839,070	33,545,914
TOTAL BUDGET	37,432,861	44,086,478	42,584,353	44,208,915	46,812,310	49,526,521
RESOURCES						
Fund Balance at June 30	23,332,337	22,238,837	26,638,044	27,168,583	29,451,491	31,839,070
Service Charges*	11,713,145	12,861,600	13,769,629	14,727,857	14,875,136	15,023,887
SSAP Agreement Payments	241,692	199,980	186,000	167,000	136,000	110,000
Septic Conversion Program						
Other Income	2,145,687	8,786,061	1,990,680	2,145,475	2,349,683	2,553,564
TOTAL RESOURCES	\$37,432,861	\$44,086,478	\$42,584,353	\$44,208,915	\$46,812,310	\$49,526,521
*Rate Increase:	8%	8%	6%	6%	0%	0%
Residential Rate/Month	19.25	20.80	22.05	23.35	23.35	23.35

** 2004-2005 Actual

APPENDIX A

CAPITAL IMPROVEMENT PROGRAM 2005-2010

2005-2010 CAPITAL IMPROVEMENT PROGRAM

	<u>2004-5</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
CONSTRUCTION PROJECTS						
<u>1. Wastewater Treatment Plant</u>						
<i>Actual</i>						
a) South Bay Action Plan						
b) WWTP Projects	\$ (315,673)	\$ 250,000	\$ 800,000	\$ 500,000	\$ 1,900,000	\$ 1,900,000
c) Equipment replacement		\$ 155,300	\$ 155,300	\$ 155,300	\$ 155,300	\$ 155,300
d) SRF Loan Repayment	\$ 377,108					
Subtotal WWTP Contributions:	\$ 61,435	\$ 155,300	\$ 405,300	\$ 955,300	\$ 655,300	\$ 2,055,300
<u>2. Joint Trunk Sewer Projects</u>						
a) Fourth Interceptor	\$ 25,428		\$ 160,000	\$ 8,500	\$ 850,000	\$ 295,000
b) 60" Brick Interceptor	\$ 1,140,657	\$ 320,000	\$ 40,000			
c) 60/84" RCP Interceptor	\$ 305,802	\$ 350,000	\$ 88,000	\$ 680,000		
d) Forest-Rosa Trunk Rehab.	\$ 101	\$ 100,000	\$ 725,000			
j) San Tomas Aquino Trunk Rehab.	\$ 4,215	\$ 230,000				
k) San Tomas Expressway Trunk Rehab.	\$ 605,992	\$ 10,000				
m) Willow-Union Trunk Sewer Rehab.		\$ 60,000	\$ 1,000,000	\$ 125,000		
n) Other Trunk Sewer Rehab						
Subtotal Joint Trunk Sewer Participation:	\$ 2,082,195	\$ 1,070,000	\$ 2,013,000	\$ 813,500	\$ 850,000	\$ 295,000
Total San Jose Projects:	\$ 2,143,630	\$ 1,225,300	\$ 2,418,300	\$ 1,768,800	\$ 1,505,300	\$ 2,350,300
Discounted Total San Jose Projects:		\$ 1,064,800	\$ 2,078,850	\$ 1,526,775	\$ 1,302,800	\$ 2,021,050
<u>3. District Sewer Rehabilitation Program</u>						
a) Saratoga Village Rehabilitation, Area 2/3	\$ 67,850					
b) Santa Cruz Ave., Sewer Rehabilitation	\$ 238,333					
c) Hamilton Basin 1/ Leigh Basin 3 Rehab	\$ 296,734					
d) Los Gatos Basin 7 Area 1 Rehab.	\$ 961,536	\$ 70,000				
e) Los Gatos Basin 7 Area 2 Rehab.	\$ 72,000	\$ 1,500,000				
f) Los Gatos Basin 7 Area 3 Rehab.	\$ 2,125	\$ 1,000,000	\$ 500,000			
g) Los Gatos Basin 7 Area 4 Rehab.			\$ 1,500,000			
h) Future Rehabilitation Proj. No. 10-12				\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Subtotal District Sewer Rehabilitation:	\$ 1,639,359	\$ 2,570,000	\$ 2,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000

2005-2010 CAPITAL IMPROVEMENT PROGRAM

	<u>2004-5</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
CONSTRUCTION PROJECTS	<i>Actual</i>					
<u>4. Septic System Abandonment Program</u>						
a) SSAP II & SDS Incentive Program	\$	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
b) Other						
Subtotal SSAP Program:	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<u>5. Miscellaneous Construction Projects</u>						
a) Sewer System Upgrade	\$ -	\$ 100,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
c) Emergency Repair Projects	\$ 107,873	\$ 75,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
f) District Manhole Adjustments	\$ 6,325	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
g) Trunk Sewer Survey	\$ 95,000					
h) SERF Program		\$ 40,000				
i) Reservoir Road Sewer Improvement	\$ 4,459					
Subtotal Miscellaneous Construction:	\$ 213,657	\$ 265,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
<u>NON-CONSTRUCTION CAPITAL</u>						
1. Vehicles & Equipment	\$ 433,455	\$ 129,000	\$ 25,000	\$ 25,000	\$ 170,000	\$ 120,000
2. Property Improvements	\$ 13,324	\$ 63,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
3. Town of Los Gatos Sewer Sys. Assets		\$ 2,372,000				
Subtotal Non-Construction Capital:	\$ 446,779	\$ 2,564,000	\$ 35,000	\$ 35,000	\$ 180,000	\$ 130,000
TOTAL CAPITAL OUTLAY:	\$ 4,443,425	\$ 6,649,300	\$ 4,603,300	\$ 3,453,800	\$ 3,335,300	\$ 4,130,300
Discount Factor		\$ 641,595	\$ 690,495	\$ 518,070	\$ 500,295	\$ 619,545
ADJUSTED CAPITAL OUTLAY:	\$ 4,443,425	\$ 6,007,705	\$ 3,912,805	\$ 2,935,730	\$ 2,835,005	\$ 3,510,755

