COUNTY SANITATION DISTRICT NO. 4
OF SANTA CLARA COUNTY

100 E. Sunnyoaks Ave.
P. O. Box 535
CAMPBELL, CALIFORNIA
Telephone FRanklin 8-0008

March 20, 1961

Board of Directors
County Sanitation District No. 4
of Santa Clara County, California

Re: Administration-General
Financing of District
Fiscal Year 1961-1962 Budget

Gentlemen:

I am submitting, herewith, the proposed budget for the operation of County Sanitation District No. 4 for the fiscal year 1961-62. The budget represents the appropriation requests from the business, engineering, and maintenance and operation, departments approved or modified by the District Manager.

The proposed operating budget, combined with general obligation bond interest and redemption requirements, results in an estimated tax rate of 17.6 cents per 100 dollars. This estimated tax rate is equal to the average of all past tax rates levied by the District.

The District, in all probability, will have to hold an election for approval of general obligation bonds for either construction of its own sewage treatment-water reclamation plant or purchase of capacity in the San Jose-Santa Clara sewage treatment plant.

A study is now being made by the engineering department to determine the additional trunk sewerage requirements of the District. Completion of this study prior to bond election for sewage treatment would make it possible to have one election for both sewage treatment and additional trunk sewerage facilities.

It was decided to delay construction of the Saratoga Avenue and Campbell trunk sewer extensions until completion of the comprehensive trunk sewerage study in anticipation that the study might indicate different sizes or locations for the proposed sewer extensions. Therefore, the appropriations for these two trunk sewer extensions have been carried over to fiscal year 1961-62 budget.

A comparison of salaries paid District employees has been made with salaries paid by other public agencies and public utilities in the area. The survey indicates (see attached summary) that salary increases, other than in-grade increases, are not warranted at this time. However, these same agencies may increase salaries between now and July 1, 1961, and a resurvey should be considered prior to any final revision of the budget in August, 1961.

I have tabulated below the variances of the proposed budget from the fiscal year 1960-61 budget and the reasons for the variances. This table should assist you in your analysis of the proposed budget.

BUDGET ACCOUNT	VARIATION FROM YEAR 1960-61 APPROPRIATION		REASONS FOR VARIATION
Salaries and Wages	Up	$12,392	1. Reclassification of Senior Maintenance Man to Maintenance Leading Man. 2. Addition of Maintenance Man to offset increase in footage of sewers maintained. 3. Addition of Junior Typist Clerk to offset increase in clerical work. 4. Payment of "On Call Duty" compensation, starting July 1, 1961.
Election Expense	Up	$14,000	Apparent need for bond election to finance sewage treatment facilities.
Refunds	Up	$340	Increase in need to refund due to addition of sewer service charges to tax bill.
Directors' Fees and Expenses		None	
Advertising		None	
Office Supplies and Rental Expense	Up	$1,570	1. Normal, approximate 10 percent, increase in District activities. 2. Extra printing and supplies for trunk sewer study.
Insurance	Up	$590	1. Higher premium for multiple liability policy. 2. Normal increases in other premiums.
Professional Services	Up	$2,500	1. Anticipated increase in legal services. 2. Increase in fees proposed by attorney.
Equipment and Plant Repair	Up	$1,170	1. Painting office building. 2. Expense of maintaining mobile radios reclassified to this account.
Maintenance Supplies and Expense	Up	$870	Anticipated increase in maintenance activities due to increase in footage of sewers maintained.

BUDGET ACCOUNT	VARIATION FROM YEAR 1960-61 APPROPRIATION		REASONS FOR VARIATION
Motor Vehicle Expenses	Up	$140	Allowance for additional vehicle acquired fiscal year 1960-61.
City and County Fees	Down	$1,300	Reflects anticipated decrease in sewer connections.
Utilities, Telephone and Radio	Down	$410	Reclassification of radio maintenance to "Equipment and Plant Repair."
Payroll Taxes and Employee Insurance	Up	$400	Additional payroll (see "Salaries and Wages").
Travel and Mileage	Up	$280	Increase in conference attendance.
Sewage Treatment and Sewer Use Charge	None		
Sewer Construction	Up	$112,960	1. Carry-over of Saratoga Ave. and Campbell trunk sewer extensions construction to fiscal year 1961-62. 2. Proposed Winchester Road trunk sewer construction. 3. Addition of miscellaneous construction items.
Sewer Capacity Acquisition	Up	$6,640	Increase in appropriation for acquisition of sewer capacity from City of San Jose.
Maintenance and Operation Equipment	Down	$11,820	Purchase of expensive items during fiscal year 1960-61.
Engineering Equipment	Up	$20	
Office Equipment	Up	$2,270	1. Equipment for proposed Junior Typist Clerk. 2. Air conditioning units for office building.
Buildings and Grounds	Up	$470	Construction of storage building.

BUDGET ACCOUNT	VARIATION FROM YEAR 1960-61 APPROPRIATION		REASONS FOR VARIATION
Unappropriated Reserve	Down	$9,500	Reclassification of bond election expenses to "Election Expense."
General Reserve	Up	$46,900	Increase to stabilize estimated tax rate at 17.6 cents per $100 and to prepare for future capital requirements.

The proposed budget for fiscal year 1961-62 will provide the means for County Sanitation District No. 4 to continue to provide its residents and property owners with adequate and good sanitary sewerage facilities and services for the next fiscal year, and provide for needed expansion of facilities for future growth, financed by a moderate tax rate.

Respectfully submitted by

Stephen H. Goodman

Stephen H. Goodman
District Manager

SHG:j

SUMMARY OF WAGE SURVEY
MARCH, 1961

SALARY COMPARISON

Position	District Range Effec.Aug.1960	Utility Companies Number	Utility Companies Avg. Range	Government Number	Government Avg.Range	Prop.District Range
Assistant Civil Engineer	581-707	1	594-728	5	606-741	581-707
Associate Map and Engineering Draftsman	478-581	1	445-500	4	473-578	478-581
Bookkeeper-Accountant	455-553	1	526-570	5	459-560	455-553
Business Manager	610-742	None	None	3	627-765	610-742
Cashier-Clerk	338-412	None	None	5	337-404	338-412
District Manager	818-994	None	None	4	945-1178	818-994
Intermediate Stenographer Clerk	338-412	None	None	6	344-418	338-412
Junior Civil Engineer	502-610	None	None	3	507-621	502-610
Maintenance Leading Man	433-527	None	None	5	441-548	433-527
Maintenance Man	355-433	1	402 Mo.	8	365-446	355-433
Senior Maintenance Man	392-478	1	405-433	5	388-474	392-478
Sewer Construction Inspector	502-610	None	None	6	505-613	502-610
Superintendent of Maintenance and Operation	527-641	None	None	4	535-660	527-641

PROPOSED BUDGET

COUNTY SANITATION DISTRICT NO. 4
OF SANTA CLARA COUNTY, CALIFORNIA

FISCAL YEAR 1961-1962

SUBMITTED BY:

STEPHEN H. GOODMAN

DISTRICT MANAGER

APPROVED BY BOARD OF DIRECTORS
With modifications noted:

Date: _____

ACTUAL AND ESTIMATED EXPENDITURES FOR FISCAL YEAR 1960-61 AND SUMMARY OF PROPOSED FISCAL YEAR 1961-62 OPERATING BUDGET

EXPENDITURE CLASSIFICATION		EXPENDITURE AMOUNTS: ALLOWED FOR YEAR ENDING JUNE 30, 1961	ACTUAL & EST. FOR YEAR END. JUNE 30, 1961	REQUESTED FOR YEAR ENDING JUNE 30, 1962	ALLOWED BY DIRECTORS FOR YEAR ENDING JUNE 30, 1962
SALARIES AND WAGES					
Salaries	907	$ 99,668.00	$ 98,000.00	$112,060.00	$
TOTAL SALARIES AND WAGES		$ 99,668.00	$ 98,000.00	$112,060.00	$
MAINTENANCE AND OPERATION					
Election Expense	328	None	$ 1,569.00	$ 14,000.00	$
Refunds	340	$ 660.00	1,005.00	1,000.00	
Directors' Fees and Expenses	401	4,300.00	4,398.00	4,300.00	
Advertising	404	1,010.00	795.00	1,010.00	
Office Supplies and Rental Expense	503	5,160.00	6,335.00	6,730.00	
Insurance	504	2,850.00	6,030.00	3,440.00	
Professional Services	600	7,100.00	17,500.00	9,600.00	
Equipment and Plant Repair	701	840.00	521.00	2,010.00	
Maintenance Supplies and Expense	702	5,910.00	3,444.00	6,780.00	
Motor Vehicle Expense	706	2,640.00	2,000.00	2,780.00	
City and County Fees	716	3,000.00	1,700.00	1,700.00	
Utilities, Telephone and Radio	721	3,340.00	3,146.00	2,930.00	
Payroll Taxes and Employee Ins.	723	4,840.00	5,000.00	5,240.00	
Travel and Mileage Expense	724	1,240.00	1,760.00	1,520.00	
Sewage Treatment and Sewer Use Charge	751	103,500.00	48,750.00	103,500.00	
TOTAL MAINTENANCE AND OPERATION		$146,390.00	$103,953.00	$166,540.00	$

ACTUAL AND ESTIMATED EXPENDITURES FOR FISCAL YEAR 1960-61 AND SUMMARY OF PROPOSED FISCAL YEAR 1961-62 OPERATING BUDGET

EXPENDITURE CLASSIFICATION		EXPENDITURE AMOUNTS			
		ALLOWED FOR YEAR ENDING JUNE 30,1961	ACTUAL & EST. FOR YEAR END. JUNE 30, 1961	REQUESTED FOR YEAR ENDING JUNE 30, 1962	ALLOWED BY DIRECTORS FOR YEAR ENDING JUNE 30, 1962
CAPITAL OUTLAY					
Sewer Construction	131	$204,290.00	$ 54,000.00	$317,250.00	$
Sewer Capacity Acquisition	132	43,960.00	14,560.00	50,600.00	$
Maintenance and Operation Equipment	133	14,130.00	13,750.00	2,310.00	$
Engineering Equipment	134	2,150.00	150.00	2,170.00	$
Office Equipment	136	1,320.00	1,320.00	3,590.00	$
Buildings and Grounds	137	730.00	610.00	1,200.00	$
TOTAL CAPITAL OUTLAY		$266,580.00	$ 84,390.00	$377,120.00	$
UNAPPROPRIATED RESERVE	801	$ 39,500.00	Above	$ 30,000.00	$
GENERAL RESERVE	802	$ 45,000.00	None	$ 91,900.00	$
TOTAL BUDGET		$597,138.00	$286,343.00	$777,620.00	$

BONDED INDEBTEDNESS AND PAYMENTS FOR FISCAL YEAR 1961-62

BOND ISSUE	ORIGINAL AMOUNT OF ISSUE	DATE ISSUED	EFFECTIVE INTEREST RATE	OUTSTANDING INDEBTEDNESS JULY 1, 1961	REDEMPTION & INTEREST DUE FISCAL YR. '61-62	RESERVE FOR FISCAL YR. '62-63	ESTIMATED BALANCE BOND FUND JULY 1,1961	BALANCE TO BE RAISED BY TAXATION
Series "A"	$400,000.00	2-21-50	2.3247	$ 323,000.00	$19,175.00	$ 3,437.50	$ 3,587.50	$19,025.00
Series "B"	400,000.00	8-8-50	1.9220	335,000.00	18,752.50	15,248.75	15,503.75	18,497.50
Series "C"	450,000.00	11-15-50	1.9504	385,000.00	19,512.50	3,651.25	3,756.25	19,407.50
Series "D"	300,000.00	1-1-56	3.1409	285,000.00	14,350.00	4,550.00	*34,185.20	None
TOTALS	$1,550,000.00			$1,328,000.00	$71,790.00	$26,887.50	$57,032.70	$56,930.00

Bond Fund #1	$56,930.00
Bond Fund #2	None

*Includes interest earned on investment of proceeds Series "D" Bonds.

SUMMARY OF PROPOSED MEANS FOR FINANCING DISTRICT OPERATIONS FOR FISCAL YEAR 1961-62

OPERATING FUND BUDGET	Proposed	Allowed
Total proposed budget appropriation	$777,620.00	$
Less:		
1. Estimated balance in Operating Fund as of June 30, 1961	391,267.00	
2. Estimated cash accruals during fiscal year 1961-62	199,000.00	
Estimated amount to be raised by taxation	$187,353.00	
Estimated tax rate:		
1. Estimated assessed valuation for operating tax (see Exhibit "A") $130,000,000.00		
2. Allowance for delinquency, 2%		
3. Estimated tax rate per $100.00 valuation ($187,350.00 ÷ $130,000,000.00)(1.02)(100.00)	$0.147	

BOND REDEMPTION AND INTERE$T	
Estimated tax rate for Bond Fund No. 1:	
1. Amount required for bond interest and redemption	$56,930.00
2. Estimated assessed valuation for Bond Fund No. 1 (see Exhibit "A") $203,000,000.00	
3. Allowance for delinquency, 2%	
4. Estimated tax rate per $100.00 valuation ($56,930.00 ÷ 203,000,000.00)(1.02)(100.00)	0.029
Estimated tax rate for Bond Fund No. 2:	None
TOTAL ESTIMATED TAX RATE (See Exhibit "B")	$ 0.176

LETAIL OF PROPOSED FISCAL YEAR 1961-62 BUDGET

SALARIES

Existing Employees

Assistant Civil Engineer	$ 8,314.00
Associate Map and Engineering Draftsman	6,099.00
Bookkeeper-Accountant	5,928.00
Business Manager	8,904.00
Cashier Clerk and Secretary to Board of Directors	5,519.00
District Manager	11,881.00
Intermediate Stenographer Clerk	4,924.00
Junior Civil Engineer	6,454.00
Maintenance Leading Man	6,324.00
Maintenance Leading Man	6,324.00
Maintenance Man	4,685.00
Senior Maintenance Man	5,736.00
Sewer Construction Inspector	7,320.00
Superintendent of Maintenance and Operation	7,692.00

Reclassified Employee

Maintenance Leading Man	5,196.00

New Employees

Maintenance Man	4,476.00
Junior Typist Clerk	3,684.00

Emergency Work Contingency

"On Call Duty" compensation	1,092.00
Overtime compensation	1,508.00
TOTAL SALARIES	$ 112,050.00

MAINTENANCE AND OPERATION

Bond Election Expense

Election Expense	$ 6,000.00
Education Expense	3,000.00
Engineering Services	1,500.00
Financial Services	1,000.00
Legal Services	2,500.00
Total	$14,000.00

Refunds

Service Charges, Fees, etc.	$ 1,000.00

Directors' Fees and Expenses

Directors' Fees	$ 4,200.00
Directors' Expenses	100.00
Total	4,300.00

Advertising

Legal Notices, etc.	$ 1,010.00

Office Supplies and Rental Expense

Assessor's Maps	$ 160.00
Blueprinting	1,000.00
Building Maintenance	1,020.00
Engineering	480.00
Office Equipment Rental and Maintenance	440.00
Photo-Copy Supplies	740.00
Postage	400.00
Printing	670.00
Other	1,820.00
Total	$ 6,730.00

Insurance

Accounts Receivable	$ 25.00
Building and Contents, Fire	185.00
Comprehensive Multiple Liability and Auto Damage	2,940.00
Equipment Floater	250.00
Valuable Papers	40.00
Total	$ 3,440.00

Professional Services

Accounting	$ 600.00
Engineering	2,000.00
Legal	7,000.00
Total	$ 9,600.00

Equipment and Plant Repair

Air Compressor and Tools	$ 75.00
Buildings and Grounds	600.00
Portable Pumps	80.00
Portable Power Plant	25.00
Pump Stations	450.00
Radios	700.00
Sewer Cleaning Equipment	80.00
Total	$ 2,010.00

Maintenance Supplies and Expense

Coverall Service	$ 665.00
Electrical, Hardware and Lumber	600.00
Equipment Rental	300.00
Grease, Kerosene and Oil	75.00
Manhole Packing and Rope	300.00
Paving Materials	720.00
Rain Gear	100.00
Safety Supplies	100.00
Sand, Cement and Bricks	180.00
Sewer Chemicals	1,600.00
Sewer Inspection Balls	60.00
Sewer Pipe, etc.	2,000.00
Welding Supplies	80.00
Total	$ 6,780.00

Motor Vehicle Supplies

Gasoline and Oil	$ 850.00
Repairs and Service	1,500.00
Tires and Tubes	400.00
Other	30.00
Total	$ 2,780.00

City and County Fees

City of Campbell Inspection Fees	$ 510.00
County Inspection Fees	1,190.00
Total	$ 1,700.00

Utilities, Telephone and Radio

Electricity, Office and Corporation Yard	$ 475.00
Electricity, Sewage Pumping	500.00
Natural Gas	200.00
Radio Communication Service	180.00
Telephone Service	$ 1,100.00
Trash Disposal	15.00
Water, Office and Corporation Yard	60.00
Water, Sewer Maintenance	400.00
Total	$ 2,930.00

Payroll Taxes and Employee Insurance

Employee Compensation Insurance	$ 1,400.00
Employee Hospitalization Insurance Contribution	1,400.00
O.A.S.I. Administration Assessment	30.00
O.A.S.I. Tax	2,410.00
Total	$ 5,240.00

Travel and Mileage Expense

Assistant Civil Engineer	$ 50.00
Associate Map and Engineering Draftsman	50.00
Bookkeeper-Accountant	120.00
Junior Civil Engineer	60.00
Sewer Construction Inspector	500.00
Other Mileage	100.00
Conferences and Dues	600.00
Local Section Dinners	40.00
Total	$ 1,520.00

Sewage Treatment and Sewer Use Charge

Sewage Treatment	$69,400.00
Sewer Use Charge	34,100.00
Total	$103,500.00

TOTAL MAINTENANCE AND OPERATION	$166,540.00

CAPITAL OUTLAY

Sewer Construction

Campbell Trunk Extension	$ 57,320.00
Saratoga Avenue Trunk Extension	63,090.00
Winchester Road Trunk Extension	103,840.00
Trunk Sewer Extensions to Assessment Districts	33,000.00
Trunk Sewer Extensions to Developments	35,000.00
Other	25,000.00
Total	$317,250.00

Sewer Capacity Acquisition

Saratoga Avenue Trunk Sewer, City of San Jose	$ 20,600.00
Other City of San Jose Sewers	30,000.00
Total	$ 50,600.00

Maintenance and Operation Equipment

Flasher Warning Lights	$ 150.00
Flexible Sewer Rods and Tools	400.00
Hydraulic Vise	275.00
Road Oil Spray Tank	200.00
Rods, etc. for Coil Rodder	230.00
Rope Reels	100.00
Safety Equipment	325.00
Sewer Balls and Plugs	630.00
Total	$ 2,310.00

Engineering Equipment

Code Book Binders	$ 45.00
Drafting Equipment	45.00
Leveling Rod	50.00
Tapes	30.00
Infiltration Testing Equipment	2,000.00
Total	$ 2,170.00

Office Equipment

Book Case	400.00
Air Conditioning Units	1,700.00
Chairs	170.00
Desk	300.00
File Cabinet	100.00
Lamp	30.00
Postage Meter	230.00
Shelf Roller	30.00
Typewriter	600.00
Venetian Blind	30.00
Total	$ 3,590.00

Buildings and Grounds

Expansion of Business Office	$ 200.00
Storage Building	1,000.00
Total	$ 1,200.00
TOTAL CAPITAL OUTLAY	$377,120.00

RESERVES

Unappropriated Reserve	$ 30,000.00
General Reserve	
Sewage Treatment	$ 32,040.00
Other	59,860.00
Total	$ 91,900.00

DETAIL OF ESTIMATED CASH ACCRUALS FOR FISCAL YEAR 1961-62

CONNECTION FEES	
Main Trunk Sewers	$ 17,000.00
Sewer Extension Reimbursements	11,000.00
Total	$ 28,000.00
INSPECTION FEES	
Lateral Sewer Inspection Fees	$ 5,000.00
SEWER SERVICE CHARGES	
City of Campbell	$ 9,200.00
City of San Jose	2,500.00
Town of Los Gatos	7,000.00
Individual Premises	127,000.00
Total	$ 145,700.00
JOB COMPENSATION AND EQUIPMENT RENTAL	
Job Compensation and Equipment Rental	$ 11,000.00
PLAN CHECKING FEES	
Plan Checking Fees	$ 1,200.00
OTHER INCOME	
Interest on investments	$ 6,100.00
Other	2,000.00
Total	$ 8,100.00
TOTAL ESTIMATED CASH ACCRUALS	$ 199,000.00

DETAIL OF ESTIMATED BALANCE IN OPERATING FUND

June 30, 1961

OPERATING FUND INCOME

Balance in Fund, June 30, 1960	$	277,566.20
Actual & Estimated cash accruals to June 30, 1961		225,622.80
Actual & Estimated Tax Apportionments		174,421.00
Total Estimate of Funds Available	$	677,610.00

OPERATING FUND EXPENDITURES

Actual and estimated budget expenditures to June 30, 1961 (See Page 2)	$	286,343.00
Other Expenditures		None
Total Estimated Expenditures	$	286,343.00
TOTAL ESTIMATED CASH BALANCE IN FUND JUNE 30, 1961	$	391,267.00

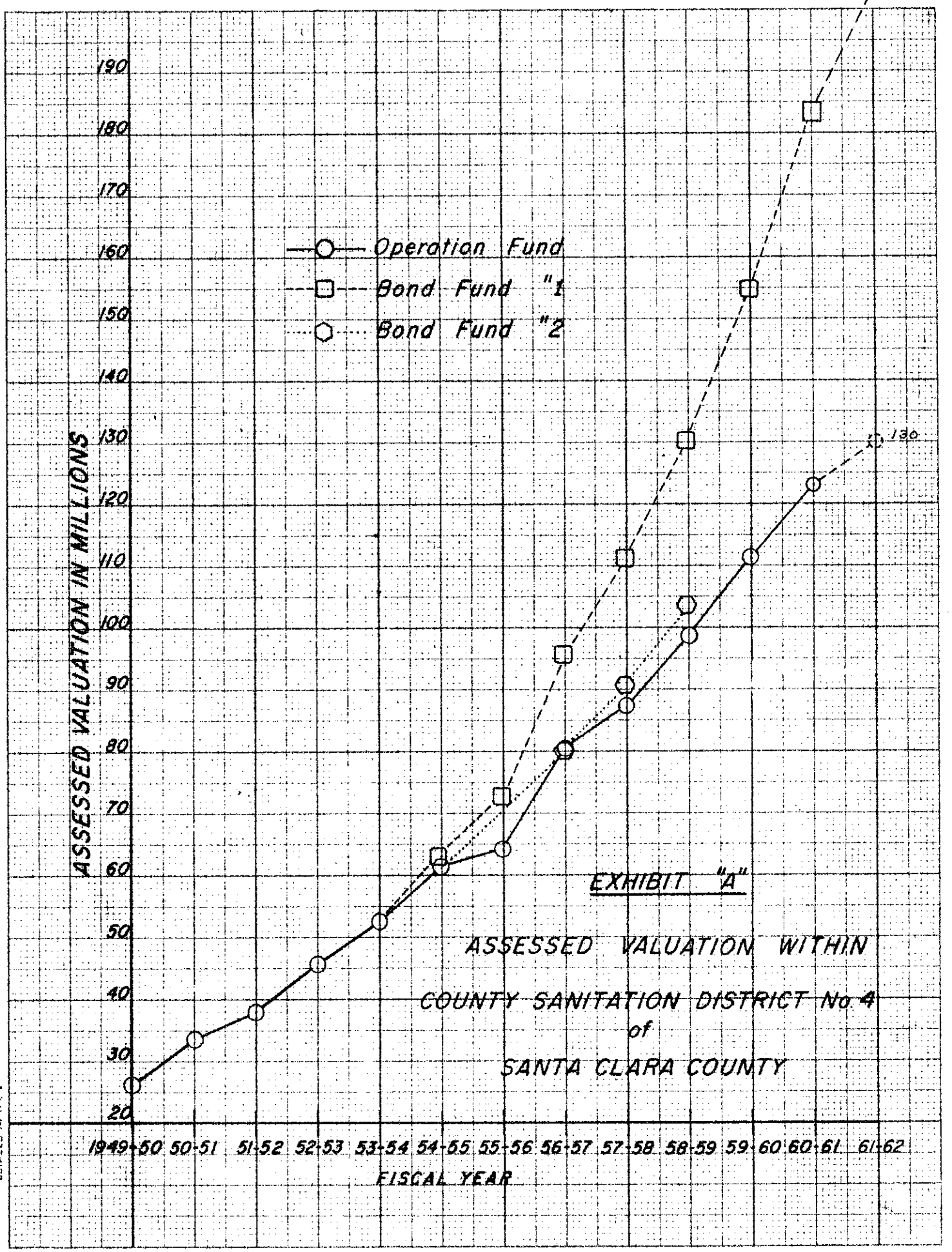

EXHIBIT "A"

ASSESSED VALUATION WITHIN
COUNTY SANITATION DISTRICT No. 4
of
SANTA CLARA COUNTY

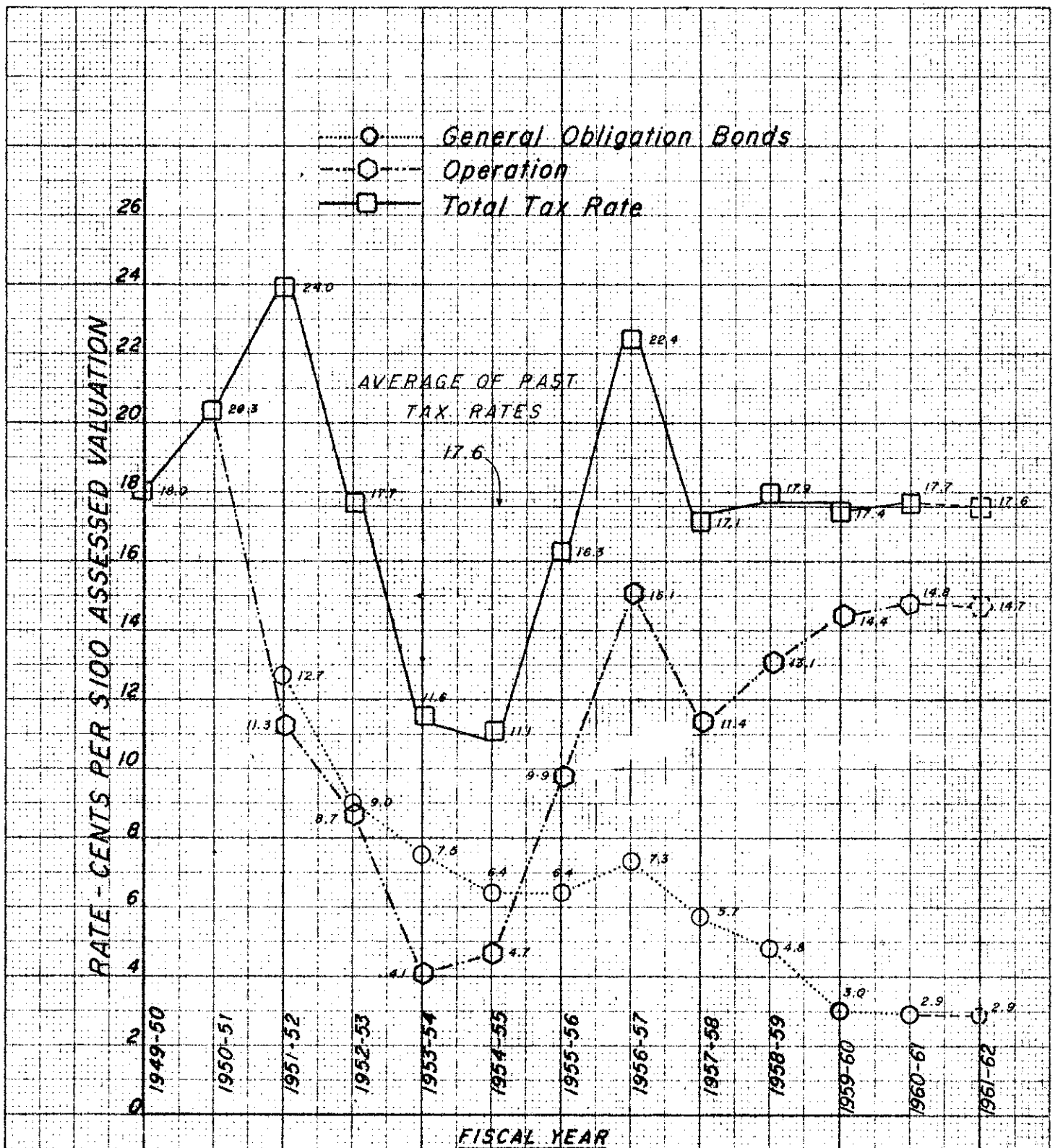

EXHIBIT "B"

TAX RATES PER $100 ASSESSED VALUATION

COUNTY SANITATION DISTRICT No.4 of SANTA CLARA COUNTY