

*Id for 1958*  
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COUNTY SANITATION DISTRICT NO. 4  
OF SANTA CLARA COUNTY

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

March 21, 1958

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

Re: Administration - General  
Financing of District  
Fiscal Year 1958-59 Budget

Gentlemen:

I am submitting, herewith, the proposed operating budget for the fiscal year 1958-59 of County Sanitation District No. 4. The proposed expenditure items included in the several budget accounts, along with the estimated cash accruals for the 1958-59 fiscal year, have been listed in detail to assist you in your study of the proposed budget.

As a further aid to you, I have listed below the budget accounts that vary greatly from the expenditures for the 1957-58 fiscal year, and the factors causing the variance.

PROPOSED BUDGET EXPENDITURES

Salaries. The proposed expenditure for salaries is 15 percent greater than the estimated expenditure for the current fiscal year. This increase is due in part to an average 5 percent merit pay raise for all employees, except the District Manager, (subject to the recommendation of the District Manager and approval of the Directors). The District Manager's salary would be increased 10 percent, as additional compensation for assuming certain engineering duties heretofore provided by the District Engineer. The other factor causing the increase is the proposed employment of an Assistant Civil Engineer, who would be used part-time for inspection of sewers, and the remainder of time to start field and office work necessary for the development of a long range plan for providing additional trunk sewerage capacity, as well as measurement of sewage flows for determining sewage conveyance and treatment costs.

Board of Directors. 3-21-58. 2.

Advertising. The \$1,000.00 increase in advertising expenditures results from the proposed expenditure of \$2,000.00 for bond promotion, which would be used if it is necessary for the District to resort to a bond issue during the 1958-59 fiscal year to raise capital for participation with the City of San Jose in the construction of major sewerage works.

Election Expense. The proposed new budget account for "Election Expense" would provide for the expense of holding an election for the issue of bonds as noted in the paragraph immediately above.

Office Supplies and Expense. Expenditures for office supplies can be reduced, due to the proposed addition of standard sewer service charges to the County tax bill.

Professional Services. Proposed expenditures for professional services are up, due to the possible expenditure for these services in conjunction with a bond issue as noted above.

Maintenance Supplies and Expense. The increase in expenditure for maintenance supplies and expense is mainly due to the inclusion of \$1,550.00 for equipment rental, which was previously included under "Office Supplies and Rental Expense;" and a \$300.00 item for coverall service for sewer maintenance men, as recommended for employee health considerations.

Motor Vehicle Expense. The increase in motor vehicle expense is due to the proposed addition of a pickup truck to the number of vehicles operated by the maintenance department.

Utilities, Telephone & Radio. Expenditures for utilities, telephone and radio will increase as a result of the higher cost of gas, water and electricity for the new District office and corporation yard and building, and the cost of operating 4 radio sets.

Unappropriated Reserve. The proposed unappropriated reserve consists of \$25,000.00 to cover un-anticipated expenditures, (it may be necessary to purchase sewage measuring equipment during the fiscal year) and \$27,000.00 for purchase of capacity in the Saratoga Avenue trunk sewer units constructed by the City of San Jose, for that portion of the City of Saratoga not now within the boundaries of the District.

Board of Directors. 3-21-58. 3.

General Reserve. The general reserve is \$20,000.00 lower than last year. By reducing the general reserve, it will be possible to finance the proposed budget with an estimated tax rate of 0.207 cents per hundred dollars assessed valuation.

Sewer Construction. Expenditures for sewer construction include \$43,230.00 as District's share of the cost of two units of the Saratoga Avenue trunk sewer, constructed by the City of San Jose, (which payment is being held until a new master agreement is entered into), \$35,700.00 for construction of the unit of the Saratoga Avenue trunk sewer from its present end at Bucknall Road to a point of connection with the Unit VII trunk sewer at the Southern Pacific railroad, and \$78,000.00 for sewer extensions to subdivisions and assessment districts under the District's priority system.

Maintenance and Operation Equipment. Major expenditures for maintenance and operation equipment include \$3,550.00 for a  $\frac{1}{2}$ -ton pickup truck, equipped with a special body and two-way radio, to be used as primary transportation for the superintendent and trouble shooting, thereby releasing the  $\frac{3}{4}$ -ton pickup for use in place of the dump truck for light repair work, etc. The other items of major expenditures are \$1,025.00 for various items of sewer cleaning equipment, \$915.00 for shop equipment, and \$300.00 for clothing lockers for maintenance men.

Office Equipment. Expenditures for office equipment include \$450.00 for office furniture, consisting of tables to complete the furnishing of the Board and reproduction rooms, and desk and chair for the proposed additional employee, \$675.00 for a surveyor's transit, for use by the engineering and inspection personnel, and smaller amounts for miscellaneous items of equipment.

Buildings & Grounds. Expenditures for buildings and grounds consist of an amount to pay the estimated assessment for street improvements in front of the District property on Sunnyoaks Avenue, \$1,540.00 for asphalt surfacing around the area adjacent to the corporation building, and a minor amount for signing of buildings and grounds.

#### BUDGET FINANCING.

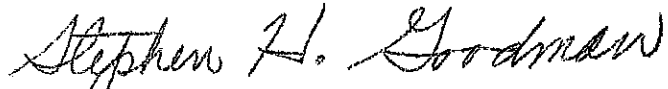
The sources of funds available to finance the proposed fiscal year 1958-59 budget are detailed on pages 3, 8 and 9 of the proposed budget report.

Board of Directors. 3-21-58. 4.

As noted above, the general reserve for the fiscal year 1958-59 has been reduced from \$60,000.00 to \$40,000.00, as a means to hold the estimated tax rate for the fiscal year at 20.7 cents per hundred dollars per assessed valuation, which is 3.0 cents higher than the actual tax rate for the current fiscal year, and approximately 2.7 cents higher than the average tax rate of the District since formation.

In general, I feel that the proposed budget contains the essentials for the efficient and economical operation of the District, as it continues to expand its operations during the 1958-59 fiscal year.

Respectfully submitted by:

A handwritten signature in cursive script that reads "Stephen H. Goodman".

Stephen H. Goodman  
District Manager

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PROPOSED BUDGET

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

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FISCAL YEAR 1958-59

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SUBMITTED BY:

STEPHEN H. GOODMAN

DISTRICT MANAGER

APPROVED BY BOARD OF DIRECTORS  
(with modifications noted):

Date April 10, 1958

ACTUAL AND ESTIMATED EXPENDITURES FOR FISCAL YEAR 1957-58  
AND SUMMARY OF PROPOSED FISCAL YEAR 1958-59 OPERATING BUDGET

EXPENDITURE AMOUNTS

	EXPENDITURE AMOUNTS		REQUESTED FOR		ALLOWED BY DIRECTORS	
	ALLOWED FOR YEAR ENDING JUNE 30, '58	ACTUAL & EST. FOR YEAR END. JUNE 30, '58	YEAR ENDING JUNE 30, '59	YEAR ENDING JUNE 30, '59	FOR YEAR ENDING JUNE 30, '59	FOR YEAR ENDING JUNE 30, '59
<u>SALARIES &amp; WAGES</u>						
Salaries		\$ 61,701.00	\$ 58,017.00	\$ 66,996.00		
TOTAL SALARIES & WAGES	907	\$ 61,701.00	\$ 58,017.00	\$ 66,996.00		
<u>MAINTENANCE &amp; OPERATION</u>						
Refunds	340	\$ None	\$ 1,270.00	\$ 600.00		
Director fees and expense	401	3,600.00	4,381.00	4,200.00		
Advertising	404	1,700.00	1,658.00	2,700.00	700.00	
Election expense	-	None	1,030.00	12,000.00	1,000.00	
Office supplies & rental expense	503	5,910.00	6,952.00	4,680.00		
Insurance	504	1,900.00	2,244.00	1,940.00		
Professional services	600	7,380.00	14,460.00	20,100.00	9,100.00	
Equipment and plant repair	701	1,650.00	535.00	600.00		
Maintenance supplies & expense	702	3,500.00	3,163.00	4,695.00		
Motor vehicle expense	706	1,020.00	1,365.00	1,800.00		
City & County fees	716	1,500.00	1,955.00	2,050.00		
Utilities, telephone & radio	721	1,710.00	2,178.00	2,832.00		
Payroll Taxes & Employee Insur.	723	2,310.00	1,835.00	2,390.00		
Travel & mileage expense	724	1,360.00	961.00	1,380.00		
Sewage Treatment & Sewer Use Chg.	751	55,920.00	54,089.00	61,000.00		
Unappropriated reserve	801	57,660.00		52,000.00	89,060.00	
General reserve	802	60,000.00		40,000.00		
TOTAL MAINTENANCE & OPERATION		\$ 207,120.00	\$ 98,076.00	\$ 214,967.00	228,027.00	
<u>CAPITAL OUTLAY</u>						
Sewer Construction	131	\$ 107,508.00	\$ 43,355.00	\$ 162,052.00	149,392.00	
Maintenance & Operation Equipment	133	3,070.00	2,397.00	6,101.00		
Office Equipment	136	3,790.00	1,381.00	2,060.00	1,660.00	
Buildings & Grounds	137	54,050.00	54,455.00	6,450.00		
TOTAL BUILDINGS & GROUNDS		\$ 168,418.00	\$ 101,588.00	\$ 176,663.00	163,603.00	
TOTAL BUDGET		\$ 437,239.00	\$ 257,681.00	\$ 458,626.00	458,626.00	

BONDED INDEBTEDNESS AND PAYMENTS FOR FISCAL YEAR 1958-59

<u>BOND ISSUE</u>	<u>ORIGINAL AMOUNT OF ISSUE</u>	<u>DATE ISSUED</u>	<u>EFFECTIVE INTEREST RATE</u>	<u>OUTSTANDING INDEBTEDNESS JULY 1, 1958</u>	<u>REDEMPTION RESERVE &amp; INTEREST DUE FISCAL YR. '58-'59</u>	<u>REDEMPTION RESERVE FOR FISCAL YR. '59-'60</u>	<u>ESTIMATED BALANCE BOND FUND JULY 1, 1958</u>	<u>BALANCE TO BE RAISED BY TAXATION</u>
Series "A"	\$400,000.00	2-21-50	2.3247	\$ 351,000.00	\$16,075.00	\$ 3,937.50	\$ 4,137.50	
Series "B"	400,000.00	8-8-50	1.9220	359,000.00	15,187.50	11,563.75	11,673.75	
Series "C"	450,000.00	11-15-50	1.9504	409,000.00	15,832.50	3,886.25	3,946.25	
Series "D"	300,000.00	1-1-56	3.1409	294,000.00	12,725.00	4,825.00	4,900.00	
<b>TOTALS</b>	<b>\$1,550,000.00</b>			<b>\$1,413,000.00</b>	<b>\$59,820.00</b>	<b>\$24,212.50</b>	<b>\$24,657.50</b>	<b>\$59,375.00</b>

Bond Fund #1                      \$46,725.00  
 Bond Fund #2                      12,650.00

SUMMARY OF PROPOSED MEANS FOR FINANCING  
DISTRICT OPERATIONS FOR FISCAL YEAR 1958-59

	<u>PROPOSED</u>	<u>ALLOWED</u>
<u>FISCAL YEAR 1958-59 OPERATING BUDGET</u>		
<u>Total Budget</u>	\$458,625.00	\$ _____
<u>Less:</u>		
1. Estimated balance in Operating Fund as of June 30, 1958	175,808.26	175,808.26
2. Estimated revenue accruals during fiscal year 1958-59	<u>142,670.00</u>	<u>142,670.00</u>
 <u>Estimated Amount to be Raised by Taxation</u>	 <u>\$140,146.74</u>	 \$ _____
 <u>Estimated Tax Rate:</u>		
1. Estimated assessed valuation for operating tax, \$92,600,000.00 (See Exhibit "A")		
2. Allowance for delinquency, 2%		
3. Estimated tax rate per \$100.00 valuation: (\$140,146.74 ÷ 92,600,000)(1.02)(100.00) \$	0.154	\$ _____
	<i>0-131</i>	
 <u>BOND REDEMPTION &amp; INTEREST</u>		
 <u>Estimated Tax Rate for Bond Fund #1:</u>		
1. Estimated assessed valuation for Bond Fund #1, \$120,500,000.00 (See Exhibit "A")		
2. Allowance for delinquency, 2%		
3. Estimated tax rate per \$100.00 valuation: (\$46,725.00 ÷ 120,500,000)(1.02)(100)	\$ 0.040	\$ 0.040
	<i>0.036</i>	
 <u>Estimated Tax Rate for Bond Fund #2:</u>		
1. Estimated assessed valuation for Bond Fund #2, \$97,600,000.00 (See Exhibit "A")		
2. Allowance for delinquency, 2%		
3. Estimated tax rate per \$100.00 valuation: (\$12,650.00 ÷ 97,600,000)(1.02)(100)	0.013	0.013
	<i>0.012</i>	
	<i>0.179</i>	
 <u>TOTAL ESTIMATED TAX RATE</u>	 <u>\$ 0.207</u>	 _____



DETAIL OF PROPOSED FISCAL YEAR 1958-59 BUDGET

SALARIES

Existing Employees

District Manager	\$ 9,348.00
Asst. District Manager	6,324.00
Assoc. Map Draftsman	5,506.00
Cashier Clerk	3,669.00
Intermediate Stenographer	3,504.00
Maintenance and Operation Superintendent	6,636.00
Maintenance Man III	5,091.00
Maintenance Man II	4,685.00
Maintenance Man I	4,040.00
Sewer Inspector	6,024.00
Senior Account Clerk	4,458.00
Secretary to Board of Directors	675.00
<u>Proposed Employee</u>	
Assistant Civil Engineer	5,736.00
Overtime Contingency	1,300.00
 TOTAL SALARIES	 <u><u>\$66,996.00</u></u>

MAINTENANCE & OPERATION

Refunds

Refund of service charges, fees, etc. \$ 600.00

Directors' Fees and Expenses

Directors' fees 4,200.00  
Expenses None  
Total Directors' Fees and Expenses \$ 4,200.00

Advertising

Legal notices \$ 700.00  
Bond promotion ~~2,000.00~~  
Total Advertising \$ 2,700.00

700.00

Election Expense

Election expense \$10,000.00  
Other 2,000.00  
Total Election Expense \$12,000.00

1,000.00

Office Supplies & Rental Expense

Supplies	\$ 2,645.00	
Printing	330.00	
Blueprinting	550.00	
Building maintenance	850.00	
Equipment maintenance and repair	235.00	
Property ownership searches	70.00	
Total Office Supplies & Rentals Expense	<u>\$ 4,680.00</u>	

Insurance

Comprehensive Multiple Liability	\$ 1,400.00	
Directors' errors and omissions	460.00	
Truck collision and fire	80.00	
Total Insurance	<u>\$ 1,940.00</u>	

Professional Services

Accounting	\$ 550.00	
Engineering	<del>7,600.00</del>	4,600.00
Legal, routine	3,950.00	
Legal, bond issue	8,000.00	
Total Professional Services	<u>\$20,100.00</u>	9,100.00

Equipment & Plant Repair

Pumping equipment	\$ 250.00	
Sewer maintenance equipment	150.00	
Buildings	150.00	
Other	50.00	
Total Equipment & Plant Repair	<u>\$ 600.00</u>	

Maintenance Supplies & Expense

Paving materials	\$ 265.00	
Sewer repair	1,085.00	
Maintenance equipment rental	1,550.00	
Maintenance employees coverall service	300.00	
Sewer cleaning and root inhibitor compounds	790.00	
Safety	70.00	
Hardware and lumber	600.00	
Manhole packing	35.00	
Total Maintenance Supplies & Expense	<u>\$ 4,695.00</u>	

<u>Motor Vehicle Expense</u>	
Gasoline and oil	\$ 1,000.00
Tires and tubes	300.00
Lubrications and repairs	500.00
Total Motor Vehicle Expense	\$ 1,800.00
<u>City &amp; County Fees</u>	
City of Campbell inspection fees	\$ 650.00
Santa Clara County inspection fees	1,400.00
Total City & County Fees	\$ 2,050.00
<u>Utilities, Telephone &amp; Radio</u>	
Electricity, office and corporation yard	\$ 600.00
Electricity, sewage pumping	360.00
Gas	120.00
Water, office and coporation yard	120.00
Water, sewer maintenance	180.00
Radio	600.00
Telephone	840.00
Trash disposal	12.00
Total Utilities, Telephone & Radio	\$ 2,832.00
<u>Payroll Taxes &amp; Employee Insurance</u>	
O.A.S.I. tax	\$ 1,140.00
O.A.S.I. administration assessment	35.00
Employee hospitalization insurance con- tribution	490.00
Employee compensation insurance	725.00
Total Payroll Taxes & Employee Insurance	\$ 2,390.00
<u>Travel &amp; Mileage Expense</u>	
District Manager	\$ 260.00
Assistant District Manager	180.00
Inspector and Engineer	540.00
C.S.I.W.A. convention and dinners	300.00
Other	100.00
Total Travel & Mileage Expense	\$ 1,380.00
<u>Sewage Treatment &amp; Sewer Use Charge</u>	
Sewage Treatment	\$ 52,000.00
Sewer use charge	9,000.00
Total Sewage Treatment & Sewer Use Charge	\$ 61,000.00

Unappropriated Reserve

General	\$ 25,000.00
Capacity in Saratoga Ave. trunk sewer	
* for City of Saratoga	27,000.00 - 25,700.00
Total Unappropriated Reserve	\$ 52,000.00 * <u>see below.</u>

General Reserve

Total General Reserve	\$ 40,000.00
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89,060.00

TOTAL MAINTENANCE & OPERATION	<u>\$214,967.00</u>
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CAPITAL OUTLAY

Sewer Construction

Purchase of Campbell trunk sewer	\$ 5,092.00
Participation in units of Saratoga Ave. trunk sewer constructed by City of Saratoga <i>San Jose</i>	43,260.00 - 42,660.-
Saratoga Ave. trunk sewer from Bucknall Rd. to Southern Pacific right-of-way	35,700.00
Sewer extensions to subdivisions	45,000.00 - 10,000.00
Sewer extensions to assessment districts	33,000.00
Total Sewer Construction	<u>\$162,052.00</u> 149,392.00

Maintenance & Operation Equipment

Truck, 1/2-ton, with special body	\$ 2,965.00
Air compressor	265.00
Welding equipment	650.00
Sewer cleaning equipment	1,025.00
Radio for new truck	585.00
Lockers for maintenance employees	300.00
Truck heaters	150.00
Other	160.00
Total Maintenance & Operation Equipment	<u>\$ 6,100.00</u>

(from stated book)

* Engineering Services for bond election	1,500.00
Bond promotion	2,000.00
Legal Services for bond election	800.00
Bond election	520.00
Parrish Judgment	27,560.00

*see above for totals*

Office Equipment

Multiplex display fixture	\$ 150.00	
Kardex file unit	260.00	264.16
Surveyor's transit	675.00	664.92
Office furniture	450.00	543.59
Addressograph equipment	<del>350.00</del>	
Other	175.00	
Total Office Equipment	\$ 2,060.00	<u>1,660.00</u>

Buildings & Grounds

Offsite improvements	\$ 4,540.00
Corporation yard paving	1,540.00
Signing	370.00
Total Buildings & Grounds	\$ 6,450.00

TOTAL CAPITAL OUTLAY \$176,662.00

TOTAL BUDGET \$458,625.00

DETAIL OF ESTIMATED CASH ACCRUALS DURING FISCAL YEAR 1958-59

CONNECTION FEES

Main trunk sewers	\$ 18,000.00
Sewer extension reimbursements	8,100.00
Total Connection Fees	\$ 26,100.00

INSPECTION FEES

Lateral sewers	\$ 6,000.00
Collection sewers (included under Job Compensation)	None
Total Inspection Fees	\$ 6,000.00

SEWER SERVICE CHARGES

City of Campbell	\$ 6,900.00
City of San Jose	1,700.00
City of Saratoga	6,000.00
Town of Los Gatos	6,400.00
Individual premises	81,240.00
Total Sewer Service Charges	\$102,240.00

JOB COMPENSATION & EQUIPMENT RENTAL

Total Job Compensation & Equipment Rental           \$ 5,000.00

PLAN CHECKING FEES

Total Plan Checking Fees                                 \$ 2,200.00

OTHER INCOME

Annexation fees   \$ 1,050.00

Other   80.00

Total Other Income   \$ 1,130.00

TOTAL ESTIMATED CASH ACCRUALS                         \$ 142,670.00

DETAIL OF ESTIMATED BALANCE IN OPERATION FUND, JUNE 30, 1958

OPERATION FUND INCOME

Estimated cash accruals to June 30, 1958             \$141,180.00

Estimated tax apportionments                             98,000.00

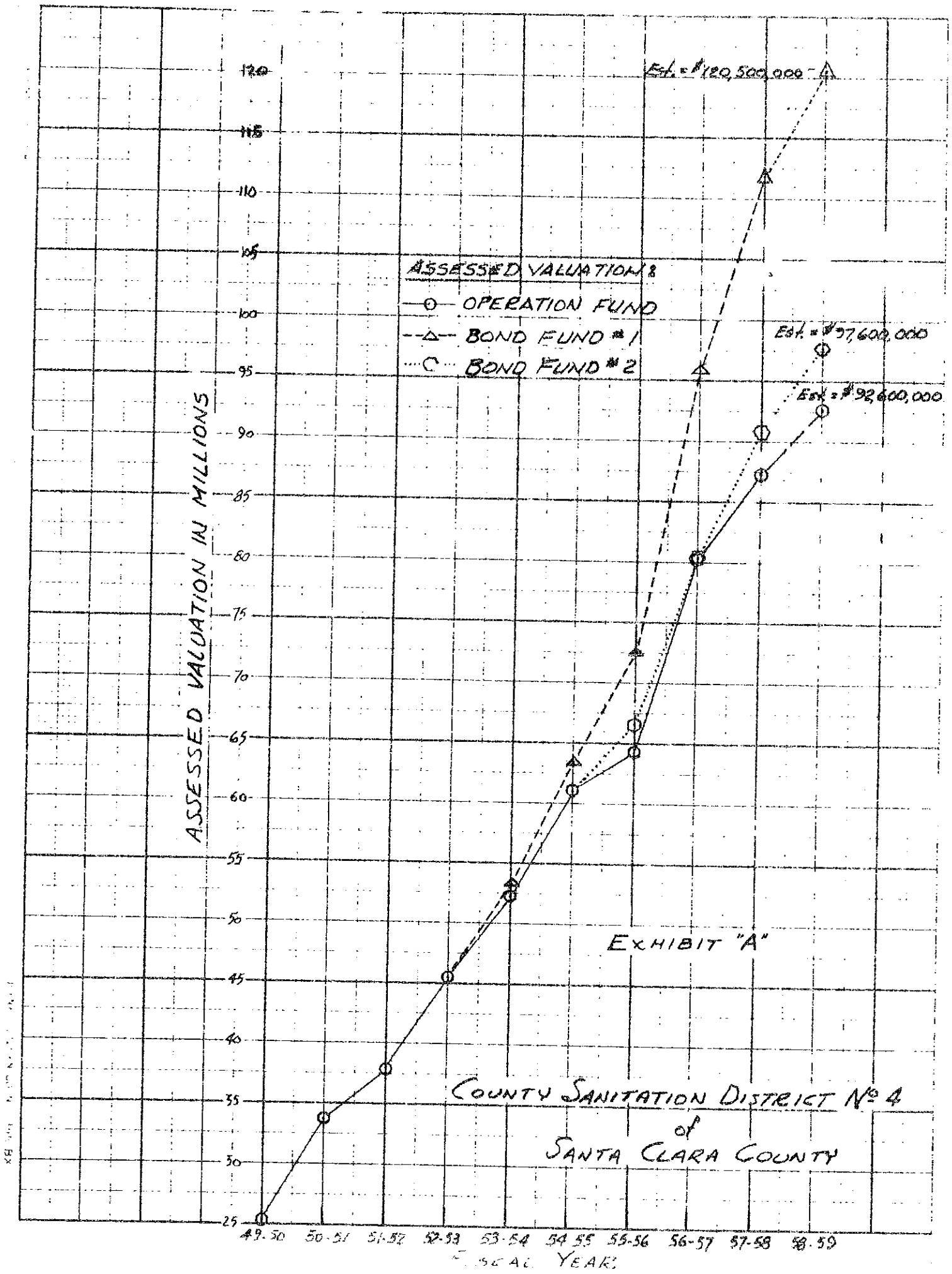
Balance in Fund, June 30, 1957                         194,309.26

Total estimated funds available                         \$433,489.26

OPERATION FUND EXPENDITURES

Total Operation Fund Expenditures                     \$ 257,681.00  
(see page 1)

ESTIMATED CASH BALANCE IN FUND,  
JUNE 30, 1958   \$ 175,808.26



TAX RATES PER \$100 ASSESSED VALUATION

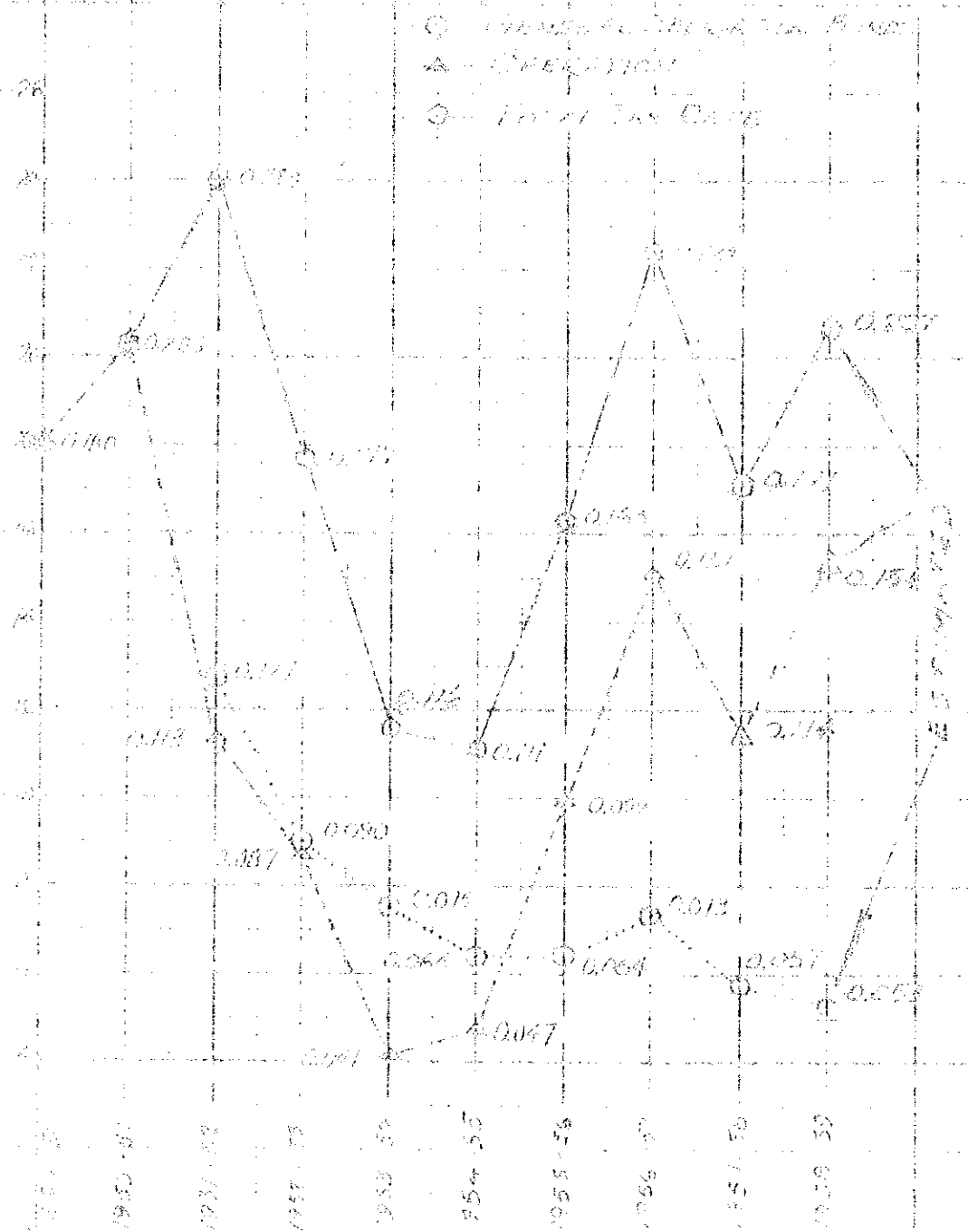


EXHIBIT 18

TAX RATES PER \$100 ASSESSED VALUATION

County of San Diego, California, District No. 4

San Diego, California County



