

ANNUAL REPORT

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

FISCAL YEAR 1958 - 1959

BOARD OF DIRECTORS

Burton R. Brazil	Mayor of City of Saratoga
Myron L. Fairchild	Mayor of City of Campbell
Thomas B. Inglis	Mayor of City of Monte Sereno
Alberto E. Merrill	Mayor of Town of Los Gatos
Joseph J. Rebeiro	Mayor of City of Santa Clara
Oran L. Slaght	Supervisor of Santa Clara County
Louis S. Solari	Mayor of City of San Jose

ADMINISTRATIVE OFFICERS

Stephen H. Goodman	District Manager
Thelo A. Perrott	District Engineer
David H. Adams	District Counsel
DeLora Spence	District Secretary

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ADMINISTRATIVE REPORT

DESCRIPTION OF DISTRICT

County Sanitation District No. 4 of Santa Clara County, California, provides sanitary sewerage facilities for the primarily residential area lying Southwesterly of the City of San Jose, and includes entirely the City of Campbell and the City of Monte Sereno, the major portions of the Town of Los Gatos and the City of Saratoga and minor portions of the City of San Jose and the City of Santa Clara.

The Sanitation District contains 19,500 acres of land, with 5,310 acres fronting on a system of collection sewers. The remaining 14,190 acres of land are adjacent to a system of trunk sewers. At the close of the 1958-59 fiscal year there were 5,070 unsewered structures and 11,270 structures connected to sewers, or a ratio of 2.23 connected structures to every unsewered structure.

BOUNDARY CHANGES

Annexations. A total of 53 acres of land, being developed for residential use, were annexed to the Sanitation District during the 1958-59 fiscal year. Since formation of the District, 644 acres of land have been annexed to the District.

Disannexations. The City of San Jose had 534 acres of land, that had previously been annexed to the City, withdrawn from the Sanitation District, in accordance with an agreement between the City and the District. A total of 5,126 acres of land have been withdrawn from the District by the City of San Jose.

Proposed Annexations. Presently there are 415 acres of land that have been annexed by the Town of Los Gatos that are not within the boundaries of the Sanitation District. This area of the Town must be annexed to the District before it can be served by the District's sewerage system. The District staff is preparing the necessary documents and procedures for annexation by election of these inhabited areas of the Town.

EXPANSION OF SEWERAGE SYSTEM

Construction. The sanitary sewerage system of the Sanitation District was expanded during the 1958-59 fiscal year by construction of sewers by land developers, assessment districts, and the Sanitation District. The following table sets forth the classification and mileage of the sewerage system within the District, exclusive of those within the Town of Los Gatos.

SANITARY SEWERAGE SYSTEM WITHIN
COUNTY SANITATION DISTRICT NO. 4

ITEM	CLASSIFICATION	
	Trunks & Mains	Laterals
Total, June 30, 1958	139.0 miles	46.6 miles
Additions by land developers	2.1	1.4
Additions by assessment districts	10.3	5.4
Additions by Sanitation District	0.9	none
Total, June 30, 1959	152.3 miles	53.4 miles

Sewer Connections. The number of structures connected to the Sanitation District's sewerage system continues to increase at a steady rate, as shown by the following table.

YEARLY TOTALS OF STRUCTURES CONNECTED
TO SANITARY SEWERAGE SYSTEM WITHIN
COUNTY SANITATION DISTRICT NO. 4

YEAR ENDING JUNE 30	NUMBER OF CONNECTED STRUCTURES
1954	6,370
1955	6,960
1956	8,080
1957	9,070
1958	10,170
1959	11,270

DISTRIBUTION OF CONNECTED STRUCTURES WITHIN
COUNTY SANITATION DISTRICT NO. 4

AREA	NUMBER OF CONNECTED STRUCTURES, JUNE 30, 1959
*Portion of City of Campbell	1,350
Town of Los Gatos	2,880
*Portion of City of Saratoga	441
Remainder of Sanitation District	6,599
Total Connections	11,270

*Portion of Cities lying within former sanitary district.

Sewer Extension Reimbursement Program. The Sanitation District's program for reimbursing installers of sanitary sewers the cost of the portion of the system benefiting other future connectors has been utilized by land subdividers and the Sanitation District, as shown by the following table.

SEWER EXTENSION REIMBURSEMENT ACCOUNTS LISTED
BY COUNTY SANITATION DISTRICT NO. 4

PERIOD ENDING APRIL 1	NUMBER OF ACCOUNTS	TOTAL AMOUNT
1954	5	\$ 36,760.42
1955	12	50,018.37
1956	23	99,551.54
1957	31	134,769.14
1958	46	205,687.32
1959	66	265,430.22

As of April 1, 1959, the Sanitation District listed the amount of \$91,345.60 as reimbursable to itself for trunk sewers, constructed by general funds, that are subject to collection of connection fees as adjacent property is connected to the sewer.

Trunk Sewer Extension Program. The Board of Directors of the Sanitation District, recognizing the need for District aid in extension of trunk sewers to proposed land developments and to assessment districts installing sewers to eliminate septic tanks, in June, 1958, adopted Resolution No. 247.4, establishing a program for giving financial aid on a priority basis for such extension of trunk sewers. The following table sets forth the use that has been made of the program.

TRUNK SEWER EXTENSIONS BY
COUNTY SANITATION DISTRICT NO. 4
UNDER RESOLUTION NO. 247.4

CLOSING DATE	APPLICATIONS		SEWERS INSTALLED	
	SUBMITTED	ACCEPTED	FOOTAGE	COST
July, 1958	1	1	1,288	\$ 5,120.13
November, 1958	None	None	None	None
May, 1959	3	3	*2,912	*\$33,136.00

*Estimated Amounts.

SEWAGE TREATMENT

Existing Sewage Treatment Facilities. The Sanitation District contracts with the City of San Jose for treatment and disposal of its sewage at the City's primary sewage treatment plant, situated to the East of Alviso, California. The effluent from the plant is discharged to the Southerly reaches of the San Francisco Bay. The following table sets forth the District's cost per million of gallons per day of sewage treated for the first two (2) years that the plant has been in operation.

PRIMARY SEWAGE TREATMENT COSTS OF COUNTY SANITATION DISTRICT NO. 4

CALENDAR YEAR	AVERAGE DAILY SEWAGE FLOW	TREATMENT COST PER M.G.PER DAY
1957	2,218 million gallons	*\$35.00
1958	2,515 " "	* 30.80

* Includes amortization of plant for capacity used.

Secondary Sewage Treatment and Plant Expansion. The Engineering firm of Brown and Caldwell continued its pilot plant studies leading to the preparation of plans for secondary sewage treatment facilities at the site of the City of San Jose's primary treatment plant. It has been indicated by the City that other entities using the City's treatment plant will be expected to participate in the construction of additional facilities on a cash basis. The Sanitation District recognizes the equity of the proposal, and has asked the City of San Jose to furnish it with estimates of the amount that it will be expected to pay for its capacity in plant expansion, in order that the District can prepare a program for financing its share of the cost.

BUILDINGS AND GROUNDS

The Sanitation District's operations are centered at its District Office and Corporation Yard, situated on 1.23 acres of land at 100 East Sunnyoaks Avenue, in the Southwesterly industrial area of the City of Campbell. The business and engineering departments of the District are found in an 1800-square foot masonry office building, and the maintenance and operation department is housed in a 1300-square foot steel building, partitioned to provide space for an office, shower and locker room, storage and a shop. There are also adequate paved areas for parking and outside storage of materials.

CONTRACTS

City of San Jose. The Sanitation District is presently negotiating with the City of San Jose for an agreement that would replace the present agreement between the District and the City, providing for District use of City's interceptor sewer and sewage treatment plant, City's use of District trunk sewers for District area annexed by the City, and other joint use of sewerage facilities. Negotiations for a new agreement were commenced in June, 1956, when it became evident that the existing agreement between the City and District, entered into on January 30, 1950, was creating inequities for both the City and the District. Although negotiations have been carried on over a long period of time, it may be possible to enter into a new, more equitable, agreement during the 1959-60 fiscal year.

City of Campbell. An agreement between the City of Campbell and the Sanitation District, providing for District administration, maintenance and operation of the City's sanitary sewerage system, expired on June 30, 1959. The District is continuing to provide these services for the City while a new agreement is being prepared.

Town of Los Gatos. On December 1, 1958 negotiations between the Sanitation District and the Town of Los Gatos were concluded by execution of an agreement providing for the Town's administration, maintenance and operation of its sewerage system, with the District providing for conveyance and disposal of Town sewage through the San Jose treatment plant. The agreement further provides that the District may use available capacity in Town sewers for conveyance of sewage from District areas tributary to the Town sewers.

City of Saratoga. An agreement between the City of Saratoga and the Sanitation District, providing for District administration, maintenance and operation of the City's sewerage system expired on September 30, 1958, and the District is presently providing these services on an interim basis while a new agreement is being prepared.

PERSONNEL ORGANIZATION

Departments. For efficiency of operation the District personnel have been divided into three departments which are each separately responsible for the business, engineering, and maintenance and operational, activities of the District. Plate 1 shows the Organization Chart of the District personnel and the following table sets forth the names and classifications of District personnel as of June 30, 1959.

NAMES AND CLASSIFICATIONS OF PERSONNEL OF
COUNTY SANITATION DISTRICT NO. 4

NAME	CLASSIFICATION
Stephen H. Goodman	District Manager
<u>BUSINESS DEPARTMENT</u>	
Claribel S. Johnson	Intermediate Stenographer-Clerk
Everett M. Olson	Business Manager
Claude C. Ryan	Bookkeeper-Accountant
DeLora M. Spence	Cashier-Clerk
<u>ENGINEERING DEPARTMENT</u>	
Richard A. Greene	Associate Map Draftsman
LeRoy E. Weaver	Assistant Civil Engineer
Fremont O. Zschokke	Sewer Construction Inspector
<u>MAINTENANCE AND OPERATION DEPARTMENT</u>	
Paul D. Brownfield	Senior Maintenance Man
Willard C. Cary	Maintenance Man
Albert J. Landers	Maintenance Leadingman
Walter R. Silberbauer	Maintenance and Operation Superintendent

Professional Services. Engineering services of major magnitude required by the Sanitation District are provided by Thelo A. Perrott, Civil Engineer, on a consulting basis. Mr. Perrott also provides engineering services for the sanitary sewerage projects undertaken by the District.

All legal services required by the District are provided by David H. Adams, Attorney at Law. The law firm of Kirkbride, Wilson, Harzfeld and Wallace, represented by Kenneth I. Jones, provides legal services in conjunction with the sanitary sewerage assessment projects undertaken by the District.

DEPARTMENTAL ACTIVITIES

The activities and accomplishments of each of the departments of the Sanitation District during the fiscal year 1958-59 are summarized in the following paragraphs.

Business Department. The Business Department, supervised by Everett M. Olson, was responsible for keeping of financial records, processing accounts receivable, acquisition of sanitary sewer easements, maintenance of the general

files of the District, and other business transactions. The following table sets forth the activities of the department that can be readily measured.

TABULATION OF MAJOR ACTIVITIES OF THE BUSINESS DEPARTMENT
OF COUNTY SANITATION DISTRICT NO. 4 FOR
FISCAL YEAR 1958-59

ACTIVITY	QUANTITY
1. Addition of sewer service charges to County tax bill, number of accounts,	6,500
2. Direct billing of accounts receivable, number,	1,050
3. Filing, pieces,	11,200
4. Issuance of sewer connection permits, number,	1,092
5. Letters, reports, etc., typed, number,	5,400
6. Mailing, number of pieces,	2,955
7. Mimeographing and photocopying, number of pieces produced,	33,000
8. People received at District Office, number,	1,560
9. Phone call received and directed, number,	5,500
10. Processing County sewer connection inspection reports, number of inspections,	780

The cost of operating the Business Department has been included in the financial report contained herein. Of special interest is the cost of collecting a sewer service account by addition to the County tax bill, as compared with the cost of collection by direct billing, as set forth in the following table.

COMPARISON OF COST OF SEWER SERVICE CHARGE
COLLECTION METHODS USED BY
COUNTY SANITATION DISTRICT NO. 4

COLLECTION METHOD	COST PER ACCOUNT PER YEAR
Direct billing by mail prior to June 30, 1958	70.0¢
Addition to County taxes for year 1958-59	51.8
Addition to County taxes for year 1959-60	33.6

Engineering Department. The Engineering Department, supervised by LeRoy E. Weaver, provided the District with all engineering and drafting services, except those of major magnitude provided by the Consulting Engineer. The major activities of the department are set forth in the following table.

TABULATION OF MAJOR ACTIVITIES OF THE ENGINEERING
DEPARTMENT OF COUNTY SANITATION DISTRICT NO. 4
FOR FISCAL YEAR 1958-59

ACTIVITY	QUANTITY
1. District code map sheets drafted	33
2. District code map sheets revised	95
3. Lateral sewer construction inspections, number,	57
4. Main sewer construction projects inspected, number,	25
5. Sewer assessment projects coordinated to completion, number,	3
6. Sewer extension plans prepared, number,	4
7. Sewer plans checked and approved, number,	30

The cost of operating the Engineering Department is included in the financial report contained herein.

Maintenance and Operation Department. The Maintenance and Operation Department, supervised by Walter R. Silberbauer, was responsible for the maintenance and proper operation of the 206 miles of sewers within the District. The District practices a thorough preventive sewer maintenance program, controlled by record system, that develops a history of maintenance performed and an advance schedule of work to be performed. The department is also equipped with adequate and modern vehicles and sewer cleaning devices. The following table summarizes the department's activities and accomplishments.

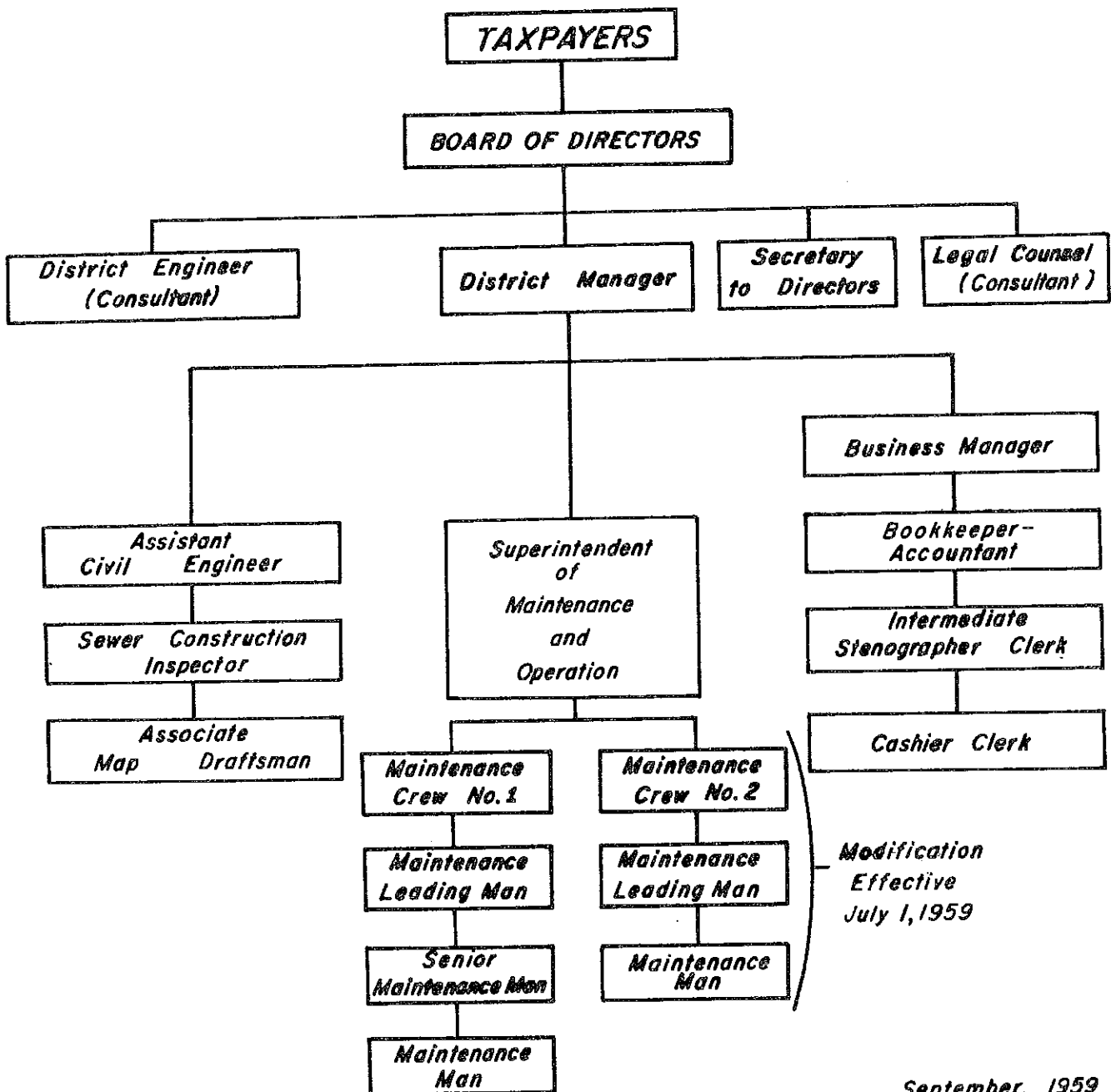
TABULATION OF MAJOR ACTIVITIES AND UNIT COSTS
OF THE MAINTENANCE AND OPERATION DEPARTMENT
OF COUNTY SANITATION DISTRICT NO. 4
FOR FISCAL YEAR 1958-59

ACTIVITY	QUANTITY	UNIT COST	
<u>CLEANING</u>			
1. Sewer cleaning with "Wayne" balls	106,710 feet		
2. Sewer cleaning with flexible rods	6,536 "		
3. Sewer cleaning with water flushing	16,042 "		
Total cleaned	129,288 feet	4.2¢	
4. Sewer stoppages removed:			
A. Main sewers, number,	46	\$15.87	728.82
B. Lateral sewers, number,	42	\$17.70	743.40
C. House sewers, number,	6	\$ 3.90	23.40
5. Weight of material removed by cleaning	15,470 pounds		
<u>CONTROL</u>			
1. Flow measurements, number,	16	\$ 4.20	67.20
2. Odor inhibitor dosages, number,	7	\$ 5.41	37.87
3. Pump station inspections, number,	249	\$ 4.75	1,182.75
4. Rat poison dosages, number,	118	\$ 1.00	118.00
5. Root inhibitor dosages, number,	111	\$ 2.11	234.21
6. Main sewers inspected and float tested	381,627 feet	1.0¢	3,816.27
<u>REPAIRS</u>			
1. Lateral sewer reconstruction	97 feet	--	
2. Main sewer reconstruction	60 "	--	
3. Manhole raising, number,	170	--	
4. Street resurfacing	2,960 sq.ft.	--	

The total footage of the Sanitation District's sewerage system that was either cleaned or inspected, using a float test which determines if there are obstructions in the sewer line between manholes, has been increased by 20 percent over the footage cleaned and inspected during the 1957-58 fiscal year.

COUNTY SANITATION DISTRICT NO 4
OF SANTA CLARA COUNTY

ORGANIZATION CHART



September, 1959

COUNTY SANITATION DISTRICT NO. 4
BALANCE SHEET
AS OF JUNE 30, 1959

EXHIBIT A

ASSETS	Total	General			Local Improvement Dist.		Fixed Assets	Long Term Liabilities
		Operating Fund	Trust Fund	Construction Fund	Bond Funds	Construction Funds		
<u>Current Assets</u>								
Cash on Deposit With County Treasurer	448,567.32	162,915.69	1,449.97	.868.96	187,718.05	42,292.62		53,322.03
Cash Deposit with American Trust Co.	366.75	222.45	144.30					
Office Revolving Fund	75.00	75.00						
Accounts Receivable:								
Sewer Rentals	25,106.40	25,106.40						
Other	18,771.22	8,323.10	628.40			9,819.72		
Due from Operating Fund	295.65					295.65		
Due from Trust Fund	590.28	590.28						
Investments (US Treasury Bonds)	515,000.00	120,000.00	16,000.00	302,000.00		77,000.00		
Total Current Assets	1,008,772.62	317,232.92	18,222.67	302,868.96	187,718.05	129,407.99		53,322.03
<u>Fixed Assets</u>								
Work in Progress	7,730.04						7,730.04	
Work in Progress - Sewers	22,682.58	345.00				22,337.58		
Small Tools and Equipment	685.53						685.53	
Construction & Maintenance Eqpt.	26,390.60						26,390.60	
Office Furniture & Fixtures	13,039.01						13,039.01	
Building and Grounds	66,954.93						66,954.93	
District Sewer System (Note.3)	3,952,717.00						3,952,717.00	
District's Share of Trunk Lines Owned Jointly	73,050.59						73,050.59	
Total Fixed Assets	4,163,250.28	345.00				22,337.58	4,140,567.70	
<u>Other Assets</u>								
Property Acquisition Deposits	10,863.27	20.89		1,189.20		9,653.18		
Amount to be Provided for Payment Of Long Term Debt	1,765,886.72						1,765,886.72	
Due from Future Connectors to oversize sewer lines	104,808.88	104,808.88						
Total Other Assets	1,881,558.87	20.89-104,808.88		1,189.20		9,653.18		1,765,886.72
Total Assets	7,053,581.77	317,598.81-123,031.55-304,058.16		187,718.05	161,398.75	4,140,567.70		1,819,208.75

SCHEDULE 3

Retired 1958-59	Bonds Out- Standing 6-30-59	Interest Paid 1958-59	Interest Due but Unpaid 6-30-59	Redemption Requirements 1959-60		Balance Due After July 1, 1960		
				Bonds	Interest	Bonds	Interest	Total
8,000	343,000	8,285.00	180.00	8,000	7,875.00	335,000	82,600.00	417,600.00
8,000	351,000	7,297.50	40.00	8,000	7,187.50	343,000	74,826.25	417,826.25
8,000	401,000	7,892.50		8,000	7,772.50	393,000	100,077.50	493,077.50
3,000	291,000	9,800.00	150.00	3,000	9,650.00	288,000	142,850.00	430,850.00
<u>27,000</u>	<u>1,386,000</u>	<u>33,275.00</u>	<u>370.00</u>	<u>27,000</u>	<u>32,485.00</u>	<u>1,359,000</u>	<u>400,353.75</u>	<u>1,759,353.75</u>

Bonds Outstanding 6-30-59	Prior Year Unpaid		Current Year		Total	Controller's Fund Balance
	Interest	Retirement	Interest†	Retirement		
147,500.00	1,217.69		6,323.27	14,000.00	21,540.96	58,485.45
113,421.50	80.00		3,909.80	6,000.00	9,989.80	37,397.84
92,083.20	168.81		2,780.02	4,000.00	6,948.83	16,000.54
63,605.30	72.50		2,254.42		2,326.92	11,270.19
33,147.06	18.75		1,237.50	3,000.00	4,256.25	4,843.98
190,107.02	609.93		9,175.22	12,971.93	22,757.08	32,172.74
27,731.45			1,405.33	1,915.43	3,320.76	6,807.18
89,496.90			3,387.53	5,966.46	9,353.99	11,492.55
315,289.05			13,504.89		13,504.89	9,247.57**
<u>1,072,381.48</u>	<u>2,167.68</u>		<u>43,977.98</u>	<u>47,853.82</u>	<u>93,999.48</u>	<u>187,718.05</u>

COUNTY SANITATION DISTRICT NO. 4
BALANCE SHEET
AS OF JUNE 30, 1959

(page 2 of 2 pages)
EXHIBIT A

<u>LIABILITIES AND SURPLUS</u>	<u>Total</u>	<u>Operating Fund</u>	<u>Trust Fund</u>	<u>General Constr. Fund</u>	<u>Local Improvement Dist. Bond Funds</u>	<u>Construction Funds</u>	<u>Fixed Assets</u>	<u>Long Term Liabilities</u>
<u>Current Liabilities</u>								
Accounts Payable	50,713.55	17,891.24				32,822.31		
Due to Trust Fund	628.40		628.40					
Due to Operating Fund	590.28		590.28					
Due to Construction	295.65	295.65						
Payroll Deductions Payable	2,685.82	2,685.82						
Overtime Payable	146.72	146.72						
Long-Term Indebtedness Due within one year	59,485.00							59,485.00
Matured Bond Interest Payable	370.00							370.00
Collections for Payment of Local Improvement Dist. Bonds (Sched. 3)	187,718.05				187,718.05			
Due to Contributors of oversize installations	6,932.03		6,932.03					
Other Deposits	1,153.64		1,153.64					
Inspection & Construction Dep.	8,918.32		8,918.32					
Total Current Liabilities	319,637.46	21,019.43	18,222.67		187,718.05	32,822.31		59,855.00
<u>Long Term Indebtedness(Sched. 3)</u>								
General Obligation Bonds Payable after July 1, 1960	1,359,000.00							1,359,000.00
Unmatured Bond Interest Payable after July 1, 1960	400,353.75							400,353.75
Total Long Term Indebtedness	1,759,353.75							1,759,353.75
<u>Other Liabilities</u>								
Due Subdividers on oversize Installations (contingent)	104,808.88		104,808.88					
<u>Surplus (Sched. 4)</u>	4,869,781.68	296,579.38		304,058.16		128,576.44	4,140,567.70	
Total Liabilities & Surplus	7,053,581.77	317,598.81	123,031.55	304,058.16	187,718.05	161,398.75	4,140,567.70	1,819,208.75

COUNTY SANITATION DISTRICT NO. 4
BALANCE SHEET NOTES
AS OF JUNE 30, 1959

1. D. A. Parrish and Sons have been awarded a judgment of \$40,323.49 which is currently being appealed. This judgment is not reflected in the balance sheet.
2. An inventory of supplies was not taken at June 30, 1959, and is not reflected in the balance sheet. The amount would be less than \$1,000.00.
3. Sewer lines are reviewed annually and contributed lines from contractors, subdividers, etc.; are estimated by District engineers and are included as sewer lines on the balance sheet.
4. Public improvement bonds issued under the Municipal Improvement Act of 1913; are primarily obligations of the property owners and only contingent liabilities of the District and are excluded from the balance sheet.

COUNTY SANITATION DISTRICT NO. 4
 OPERATING STATEMENT
 JULY 1, 1958 to JUNE 30, 1959

EXHIBIT B
 (Page 1 of 2 Pages)

OPERATING INCOME:

Sewer Service Charges	121,305.05	
Overhead Billed	2,744.26	
Inspection Fees	8,583.00	
Plan Checking Fees	1,964.00	
Equipment Rental	544.68	
Other Income	<u>702.43</u>	135,843.42
Less Refunds		<u>285.30</u>
TOTAL OPERATING INCOME		<u>135,558.12</u>

OPERATING EXPENSES:

BOARD OF DIRECTORS:

Directors' Fees	4,000.00	
Secretary's Salary	625.00	
Legal Notices & Printing	<u>675.42</u>	5,300.42

OFFICE EXPENSES:

Clerical Salaries	29,667.28	
Payroll Taxes	1,130.53	
Office Supplies	3,225.94	
Insurance	2,322.59	
Rental Expense	79.65	
Repairs & Maintenance	908.89	
Utilities & Telephone	1,898.24	
Draftsman's Salary	4,932.89	
Vacation & Sick Leave	2,209.47	
Hospital Insurance	255.09	
Tax Roll Expense - Sewer Service Charges	1,923.69	
Maintenance Building & Grounds	511.29	
Miscellaneous	<u>14.45</u>	49,079.91

PROFESSIONAL EXPENSES:

Accounting	500.00	
Engineering	819.79	
Legal	<u>6,335.91</u>	7,655.70

COUNTY SANITATION DISTRICT NO. 4
 OPERATING STATEMENT
 JULY 1, 1958 to JUNE 30, 1959

EXHIBIT B
 (Page 2 of 2 Pages)

OPERATING EXPENSES continued:

DIRECT OPERATION AND MAINTENANCE:

Labor - Maintenance Men	\$ 11,508.89	
Maintenance Supplies and Materials	3,167.19	
Street and Property Repairs	878.97	
Inspections	2,078.81	
Travel Expense	938.94	
Gasoline and Oil	590.82	
Equipment Repairs and Maintenance	1,581.23	
Utilities	790.87	
Sewerage Rental and Sewage Treatment - City of San Jose	47,964.72	
Payroll Taxes	585.95	
Supervision of Maintenance and Repairs	6,241.58	
Supervision of Inspection	13.49	
Vacation and Sick Leave	1,925.38	
Hospital Insurance	122.40	
County Inspection Fees	1,837.50	
Campbell Inspection Fees	287.50	
Equipment Rental	253.12	
Miscellaneous	153.16	<u>80,860.52</u>
 TOTAL OPERATING EXPENSES		 <u>142,896.55</u>
 Net Operating Loss		 (7,338.43)

NON OPERATING INCOME:

Tax Levy (Exhibit C)	137,151.58	
Connection Fees	33,219.60	
Escrow Money - Sunnyoaks Avenue Improvement	836.00	
Claim - Artukovich, et al	500.00	
Sale of frontage - Corporation Yard	86.33	<u>161,793.51</u>
 NET INCOME		 <u>154,455.08</u>

COUNTY SANITATION DISTRICT NO. 4
TAX LEVY AND COLLECTIONS
FISCAL YEAR 1958-1959

EXHIBIT C

TAX LEVY

	<u>Equalized Assessed Valuation</u>	<u>Rate Per \$100</u>	<u>Total Levy</u>
<u>Maintenance & Operation</u>			
Secured	970889,560	.131	128,235.32
Unsecured	318,370	.114	362.94
			<u>128,598.26</u>
<u>Bond Interest and Redemption</u>			
<u>Fund No. 1</u>			
Secured	129,920,510	.036	46,771.38
Unsecured	374,260	.043	160.93
			<u>46,932.31</u>
<u>Fund No. 2</u>			
Secured	103,907,750	.012	12,468.93
Unsecured	323,470	.014	45.29
			<u>12,514.22</u>
TOTAL LEVY			<u>188,044.79</u>

TAX COLLECTIONS

	<u>Current Year Levy</u>		<u>Prior Year</u>		<u>Total</u>
	<u>Secured</u>	<u>Unsecured</u>	<u>Delinquent</u>	<u>Redemptions</u>	<u>Collections</u>
Maintenance and Operation	123,839.31	357.09	1,518.81	1,436.37	127,151.58
Bond Interest & Redemption					
Fund No. 1	45,246.71	158.17	715.21	542.14	46,662.22
Fund No. 2	12,043.61	44.78	192.68	136.01	12,417.08
TOTAL COLLECTIONS	<u>181,129.63</u>	<u>560.04</u>	<u>2,426.70</u>	<u>2,114.52</u>	<u>186,230.89</u>

COUNTY SANITATION DISTRICT NO. 4

ACTUAL REVENUE COMPARED TO BUDGET

JULY 1, 1958 TO JUNE 30, 1959

SCHEDULE 1

	<u>Actual Revenue</u>	<u>Budgeted Revenue</u>	<u>Excess of Budget Over Actual</u>
Sewer Service Charges	121,305.05	102,240.00	(19,065.05)
Connection Fees	33,219.60	26,100.00	(7,119.60)
Inspection Fees	8,583.00	6,000.00	(2,583.00)
Plan Checking Fees	1,964.00	2,200.00	236.00
Interest From Investments	10,499.04	-0-	(10,499.04)
Annexation Fee - City of Saratoga		1,000.00	1,000.00
Other	<u>5,413.70</u>	<u>5,130.00</u>	<u>(283.70)</u>
 TOTAL REVENUE	 <u>180,984.39</u>	 <u>142,670.00</u>	 <u>(38,314.39)</u>

COUNTY SANITATION DISTRICT NO. 4
 ACTUAL EXPENDITURES COMPARED WITH BUDGET
 As Recorded On The County Controller's Records
 July 1, 1958 to June 30, 1959

Schedule 2
 (Page 1 of 2 Pages)

	<u>Budget</u>	<u>Budget Adjustments</u>	<u>Adjusted Budget</u>	<u>Actual Expenditures</u>	<u>Excess of Budget Over Actual</u>
<u>SALARIES AND WAGES</u>	66,996.00	2,200.00	69,196.00	68,067.41*	1,128.59
<u>MAINTENANCE & OPERATION</u>					
Election Expense	1,000.00		1,000.00		1,000.00
Refunds	600.00		600.00	380.46	219.54
Directors' Fees	4,200.00	200.00	4,400.00	3,911.29	488.71
Advertising	700.00	620.00	1,320.00	1,058.59	261.41
Office Supplies	4,680.00		4,680.00	4,360.59	319.41
Insurance	1,940.00	929.00	2,869.00	2,865.59	3.41
Professional Services	9,100.00		9,100.00	8,162.02	937.98
Repairs & Replacements	600.00		600.00	103.62	496.74
Maintenance Supplies	4,695.00		4,695.00	3,233.79	1,461.21
Motor Vehicle Supplies	1,800.00		1,800.00	1,485.90	314.10
City & County Inspections	2,050.00	300.00	2,350.00	2,180.00	170.00
Utilities & Telephone	2,832.00		2,832.00	2,562.92	269.08
Payroll Taxes and Employee Insurance	2,390.00		2,390.00	1,547.44	842.56
Travel Expense	1,380.00		1,380.00	1,240.67	139.33
Sewer Rental	61,000.00	49,950.00	110,950.00	100,345.66	10,604.34
Unappropriated Reserve	89,060.00	(6,872.89)	82,187.11	1,035.25	81,151.86
General Reserve	40,000.00		40,000.00		40,000.00
TOTAL MAINTENANCE AND OPERATION	228,027.00	45,126.11	273,153.11	134,473.43	138,679.68
<u>CAPITAL OUTLAY</u>					
Purchase and Construction of Sewers	149,392.00	2,315.89	151,707.89	55,093.63	96,614.26
Maintenance and Operating Equipment	6,101.00		6,101.00	5,401.78	699.22
Office Equipment	1,660.00	308.00	1,968.00	1,954.61	13.39
Building & Grounds	6,450.00		6,450.00	1,947.09	4,502.91
TOTAL CAPITAL OUTLAY	163,603.00	2,623.89	166,226.89	64,397.11	101,829.78
TOTAL EXPENDITURES	458,626.00	49,950.00**	508,576.00	266,937.95	241,638.05

*Includes expenditures for Capital Outlay. The Capital Outlay Expenditures were properly recorded on District books but were not recorded on the County Budget Records.

**Liability for sewer services rendered by the City of San Jose at July 1, 1958.

COUNTY SANITATION DISTRICT NO. 4

RECONCILIATION OF EXPENDITURES BETWEEN DISTRICT RECORDS
AND THE CONTROLLER RECORDS AT JUNE 30, 1959

Schedule 2

District Expenditures 7/1/58 to 6/30/59	267,894.19
Add: Outstanding Warrants 6/30/58	<u>4,006.56</u>
	271,900.75
Less: Outstanding Warrants 6/30/59	<u>4,962.80</u>
Controller Expenditures Per Above	<u>266,937.95</u>

COUNTY SANITATION DISTRICT NO. 4
STATEMENT OF BONDED INDEBTEDNESS
AS OF JUNE 30, 1959

GENERAL OBLIGATION BONDS

General Obligation Bonds	Amount Authorized For All Series	Amount Sold	Date of Issue	Date of Maturity	Percentage Interest Rates	Bonds Outstanding 7-1-58
Series A	1,650,000	400,000	4-1-50	4-1-51/80	2 - 5	351,000
Series B		400,000	9-1-50	9-1-51/81	1- $\frac{1}{4}$ -4- $\frac{1}{4}$	359,000
Series C		450,000	1-1-51	1-1-52/81	1- $\frac{1}{2}$ -2	409,000
Series D		300,000	1-1-56	1-1-57/86	3 - 5	294,000
	<u>1,650,000</u>	<u>1,550,000</u>				<u>1,413,000</u>

PUBLIC IMPROVEMENT BONDS

Public Improvement Bonds	Amount Issued	Date of Maturity	Percentage Interest Rates	Bonds Outstanding 7-1-58	Retired During Year
Project 1952-1	232,500.00	7-2-54/68	3- $\frac{1}{2}$ - 3-3/4	157,500.00	10,000.00*
Project 1953-1	179,132.25	7-2-55/69	3- $\frac{1}{2}$ - 5	128,363.65	14,942.15*
Project 1954-1	125,207.85	7-2-56/70	3 - 3- $\frac{1}{4}$	103,777.58	11,694.38*
Project 1955-1	112,552.70	7-2-57/71	3- $\frac{1}{2}$ - 3-3/4	70,605.30	7,000.00*
Project 1956-1	47,205.90	7-2-57/71	3 - 3/4	39,176.48	6,029.42*
Project 1957-1	194,578.95	7-2-59/73	4-3/4 - 5- $\frac{1}{2}$	191,107.02	1,000.00*
Project 1957-2	28,731.45	7-2-59/73	5 - $\frac{1}{4}$	28,731.45	1,000.00
Project 1958-1	89,496.90	7-2-59/73	3 - 3/4 - 4		
Project 1958-2	315,289.05	7-2-60/74	4 - 5		
	<u>1,324,695.05</u>			<u>719,261.48</u>	<u>51,665.95</u>

NOTE: The public improvement Bonds were issued under provisions of the Municipal Improvement Act of 1913 and are primarily obligations of the individual property owners and contingent liabilities of the District.

*Bonds called in advance.

**January 1959 apportionment of first installment is sufficient to cover requirements.

COUNTY SANITATION DISTRICT NO. 4

CAPITAL OUTLAY EXPENDITURES
 JULY 1, 1958 to JUNE 30, 1959

SCHEDULE 5

OFFICE EQUIPMENT

Patio Furniture Set	17.68
Desk	179.71
Transit and Tripod	664.92
Swivel Chair	82.58
3 Tables	281.30
Kardex File	264.16
Multiplex Display Unit	215.40
2 Flags & Standards	102.96
Adding Machine	96.79
12 Volumes Deerings Calif. Codes	119.07
Used Westinghouse Refrigerator	72.28
Miscellaneous	<u>49.11</u>

2,145.96

CONSTRUCTION AND MAINTENANCE EQUIPMENT

Sewer Plugs and Cleaning Balls	430.65
Fire Extinguisher	56.84
6 Lockers	134.35
2 Auto Heaters	97.72
1 Handie Talkie	423.28
Nitrogen Regulator, Cylinder and Hose	95.32
Motorola Radio	506.37
Pressure Recorder	415.53
Chevrolet Pickup Truck	2,626.37
Sewer Rodding Tools	254.59
Electric and Gas Welding Equipment	<u>342.31</u>

5,383.33

CORPORATION YARD, BUILDING AND GROUNDS

2,016.21

SEWER CONSTRUCTION FROM THE FOLLOWING FUNDS:

Project Construction Funds	537,321.71
Operating Fund	<u>45,031.15</u>

582,352.86

Total Capital Outlay Expenditures

591,936.96