

District's **adopted budget** for Fiscal Year 2011-12

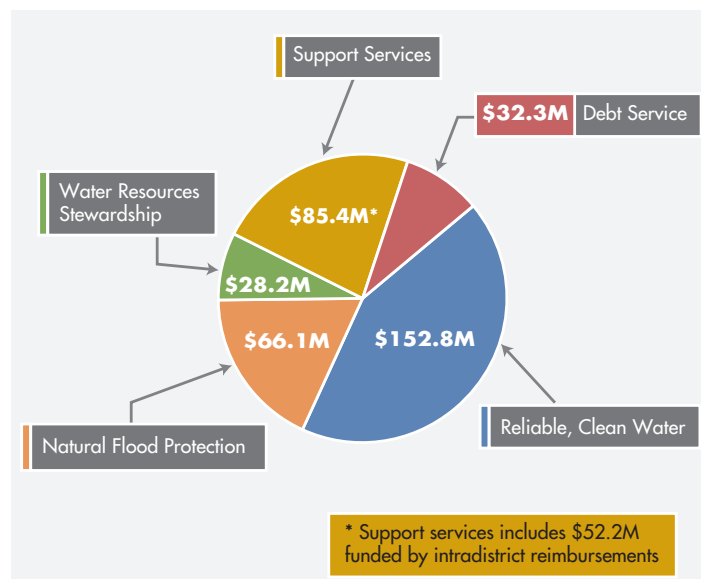
As water resources manager, the Santa Clara Valley Water District ensures a reliable supply of clean water; protects the community from flooding; and provides stream stewardship throughout the county. The total operating and capital budget is \$312.6 million, comprised of \$211.9 million net outlays and \$100.7 million for capital projects, including administrative costs. The budget is balanced and sustainable into the future and ensures a safe and reliable supply of water for Santa Clara County.

Highlights of the District's budget:

- The \$312.6 million FY 2011-12 budget marks a reduction of \$2.5 million over FY 2010-11
- Scheduled construction of 12 capital projects is expected to generate an estimated 900 - 1,700 local jobs, while repairing and improving our infrastructure
- External funding of \$31.5 million, including \$11.6 million in federal American Recovery and Reinvestment Act stimulus funding
- Reductions in Water Utility operations costs by 1.7 percent; increase in Watersheds operations costs by 8.9 percent
- Water rates increase by 9.4 percent, or an average of \$1.69 per month in the North County, and by 3.6 percent, or an average of 34 cents per month in the South County, for the average household

Key deliverables

- Replace or refurbish old or aging equipment at the water treatment plants, including pumps and control equipment at the largest pump station
- Complete seismic stability evaluations for the Almaden, Calero, Guadalupe, Lenihan and Stevens Creek dams, and initiate similar studies for Uvas and Chesbro dams, as part of the Dam Safety Seismic Stability capital project
- Inspect 279 miles of streams throughout the county; repair eroding creeks; maintaining creek conveyance capacity and manage acres of vegetation
- Continue long-term planning efforts for the future, which include the Flood Protection and Stream Stewardship Master Plan and the Water Supply and Infrastructure Master Plan
- Expand recycled water supply by partnering with City of San José on a facility that will produce near-distilled-quality recycled water for blending with existing recycled water supplies
- Secure imported water supplies, which accounts for 40 percent of the county's water



The chart above shows projected funding for each of the three outcome areas, plus debt service and support services. Support services include governance and leadership; financial, legal, human and information system resources; and business assets.

Budget by **outcome area**

The District's budget funds activities that carry out our mission as defined by our Board of Directors through District "ends," or outcome-related, policies. The three highest-level policies and their descriptions are listed below.

Reliable, Clean Water

- Ensuring dam safety and maintenance
- Acquiring local and imported water supplies
- Delivering high-quality drinking and recycled water
- Managing infrastructure
- Conserving water

Natural Flood Protection

- Carrying out flood protection capital projects
- Maintaining stream capacity
- Inspecting and repairing assets

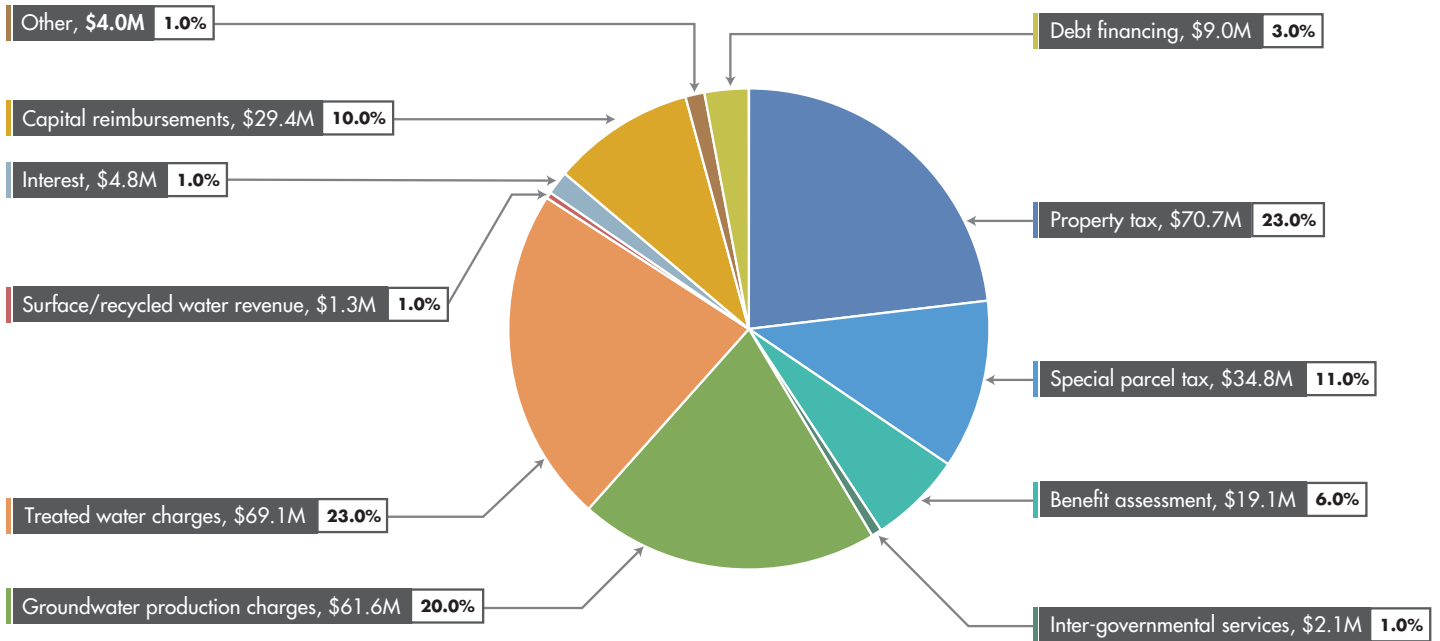
Water Resources Stewardship

- Reducing effects of mercury in watersheds
- Stabilizing creek banks
- Removing trash from creeks
- Managing environmental enhancements grants
- Increasing recreational access

District funding

The District receives funding from a variety of sources, including treated water, surface/recycled water and groundwater production charges; proceeds from ad valorem property taxes; Clean, Safe Creeks and Natural Flood Protection special parcel tax; benefit assessments that support financing for flood protection projects; interest earnings, cost-sharing agreements and grants.

FY 2011-12 total revenues: \$305.9 million



District-wide efficiencies

The District has been striving to improve organizational efficiencies and program effectiveness. The existing Quality and Environmental Management System has allowed the District to maintain ISO certification in both ISO 9001 and ISO 14001, which demonstrates quality, transparency and accountability to the board and the public. The District was the first water agency in the state to become ISO certified and since, only one other agency has achieved certification.

In FY2011-12, the District will initiate a comprehensive management audit program that will encompass the ISO certification audits as well as water utility operational audits. It will assess strengths and identify opportunities for further improvement and strengthen accountability to the Board and public.

Among the key efficiencies achieved with the FY 2011-12 budget are:

- Reduced staffing by additional 10 positions, saving \$1.43 million from last year. With the new reductions, the District has cut a total of 92 positions over the last four years
- Reduced overtime by 16.2 percent, saving \$224,000
- Reduced consultant services by 1.7 percent, saving \$0.5 million
- Decreased funding for non-mandatory training by 34 percent, saving \$93,000 over FY 2010-11
- Reduced training travel by 18.4 percent, saving \$76,000
- Terminated rental properties and consolidated offices, saving \$0.5 million per year

Contact us

For more information about the FY 2011-12 budget, visit valleywater.org or contact the **District's Chief Financial Officer** at **(408) 265-2607, ext. 2208**.

