



2022-2023 ANNUAL REPORT



Prepared by the Office of the City Manager
September 2023



2022-2023 ANNUAL REPORT

The Annual Report is established by the City Charter as the City Manager's vehicle for summarizing and analyzing the financial performance of the City for the preceding fiscal year. The mandated elements of the report include the following:

- A description of revenues received and expenditures incurred in the prior fiscal year, and an explanation concerning material differences between these amounts and the amounts budgeted.
- The amount of the financial reserves of the City.
- All other information that, in the opinion of the City Manager, is necessary to provide an accurate and complete picture of the fiscal status and condition of the City.

The financial information used in this report represents final, unaudited 2022-2023 year-end closing figures as of June 30, 2023.

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Memorandum

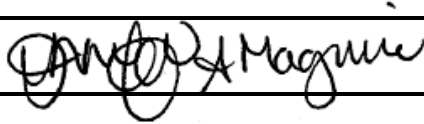
TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jim Shannon

SUBJECT: 2022-2023 ANNUAL REPORT

DATE: September 29, 2023

Approved



Date

9/29/2023

RECOMMENDATION

It is recommended that the City Council:

- (a) Accept the 2022-2023 City Manager's Annual Report in compliance with City Charter Section 701 (F).
- (b) Adopt Appropriation Ordinance and Funding Sources Resolution amendments in various operating and capital funds to implement the 2022-2023 Annual Report recommendations, as detailed in Section IV (Recommended Budget Adjustments and Clean-Up/Rebudget Actions).

SUMMARY AND OUTCOME

In accordance with Section 701 (F) of the San José City Charter, the 2022-2023 Annual Report describes the financial status of the City at the end of the 2022-2023 fiscal year. As specified in the City Charter, the focus of the City Manager's Annual Report is a comparison of actual revenue collections and actual expenditures to projections and appropriations included in the City's budget, including an explanation of any material differences, and the amount of financial reserves in the City. In addition, this report provides a comparison of the actual 2022-2023 Ending Fund Balance for each fund to the estimates used in the development of the 2023-2024 Adopted Budget.

Approval of the recommended budget actions will implement required fund balance reconciliations and necessary rebudget and clean-up adjustments based on the final financial performance (unaudited) for 2022-2023. This report also includes actions that are necessary to: revise the 2023-2024 budget to align budgeted revenue and expenditures with the most current information; correct technical problems; recognize new or adjust existing grant, reimbursement, or fee activity revenues and expenditures; reflect changes in project and program allocations based on revised cost estimates; and establish a limited number of new projects and programs in special and capital funds.

EXECUTIVE SUMMARY

The Administration proactively managed 141 budgeted funds in 2022-2023. Budget actions were brought forward during the year to help ensure that revenues and expenditures remained in alignment with actual performance. Through this careful management, the various City funds generally ended the year with revenues close to the budgeted estimates and expenditures below the budgeted allocations.

With revenues increasing and projections provided by the Retirement Boards’ actuary that, at that time, anticipated the flattening or declining of retirement costs in the short and long-term, City Council’s approval of the 2022-2023 Adopted Budget occurred within the context of meaningfully improved budgetary position when compared to the pandemic years. However, as a number of key City programs had been previously funded on a one-time basis – often with support from the dwindling supply of resources from the American Rescue Plan Fund – from a practical perspective, the City faced a service level/structural shortfall. Accordingly, City Council’s approval of the Mayor’s March and June Budget Messages focused on the prioritization of key services, with significant and continued investments regarding Homelessness and Affordable Housing, Public Safety, Battling Blight, Climate and Seismic Resilience, Equitable Economic Recovery, and Fiscal Sustainability.

Due to careful forecasting, monitoring, and management throughout all City funds, overall 2022-2023 revenues and expenditures ended the year very close to budgeted expectations. For the General Fund, the Ending Fund Balance of \$629.6 million was \$9.7 million above the fund balance estimate assumed when the 2023-2024 Adopted Budget was developed and \$18.6 million after required clean-up/rebudget actions necessary to close out 2022-2023. The \$9.7 million variance represents 0.3% of the 2022-2023 Modified Budget for revenues and expenditures and the \$18.6 million represents a variance of 0.5%. These funds are recommended to be allocated in the 2022-2023 Annual Report, as shown in the table below.

Recommended 2023-2024 General Fund Adjustments (\$000s)

Additional 2022-2023 Ending Fund Balance	\$9,732
Clean-Up/Rebudget Actions	\$8,857
<hr/>	
Fund Balance Available After Clean-up/Rebudget Actions	\$18,589
Recommended Budget Adjustments	
Required Technical/Rebalancing Actions	(\$18,589)
Grants/Reimbursements/Fee Activities	(\$0)
(Sources = (\$3.0 million); Uses = (\$3.0 million))	
Total Recommended Budget Adjustments	(\$18,589)
<hr/>	
Remaining Fund Balance After Clean-up/Recommended Adjustments	\$0

EXECUTIVE SUMMARY

When bringing forward recommendations for the use of the additional 2022-2023 General Fund Ending Fund Balance, the Administration followed City Council Policy 1-18 and first considers clean-up/rebudget actions associated with the close-out of the 2022-2023 fiscal year to be essentially non-discretionary and the highest priority. These clean-up/rebudget actions resulted in a net increase to the Ending Fund Balance of \$8.9 million, bringing the total additional 2022-2023 Ending Fund Balance to \$18.6 million, and consist of: 1) the rebudgeting of prior year funding to 2023-2024 to complete various projects (net increase of \$10.2 million); and 2) technical adjustments to other revenues and expenditures (net decrease of \$1.3 million), which includes the proportional reduction to Measure E allocations resulting from actual Real Property Transfer Tax collections falling \$8.7 million short of the 2022-2023 budgeted estimate.

The revised General Fund Ending Fund Balance of \$18.6 million is recommended to fund various required technical and rebalancing actions (\$18.6 million), as well as actions associated with grants, reimbursements, and fee activities (net-zero revenue and expenditure adjustments of \$3.0 million). Notable one-time adjustments in these categories include: allocating \$15.0 million to Emergency Interim Housing Construction and Operation, consistent with City Council direction received with their approval of the Mayor's June Budget Message for Fiscal Year 2023-2024; increasing the Community and Economic Recovery Reserve by \$1.4 million (to \$11.5 million) to set aside savings from recovery workstreams/initiatives that are anticipated to be repurposed as part of a future City Council action to provide sufficient funding for the City's participation in the County of Santa Clara Isolation and Quarantine Program during the pandemic; increasing the Contingency Reserve by \$1.0 million (to \$50.0 million) to align funding with the 3% requirement in City Council Policy 1-18; increasing the Solid Waste Code Enforcement Program Reserve by \$680,000 to set aside the balance of 2022-2023 expenditure savings and additional revenues for future use by this fee-supported program support; increasing the City Attorney's Office Outside Litigation Reserve by \$510,000 (to \$1.0 million) to restore funding to needed levels; increasing the Unanticipated/Emergency Maintenance appropriation by \$400,000 to assess all of the elevators in the Civic Center and provide initial funding for as-needed repairs and maintenance of these aging assets; and, allocating additional funding of \$375,000 to the Public Works Department for immediate maintenance and repairs to specific City-owned properties, and address security concerns including the demolition of a vacant building located on Taylor Street.

This report also addresses immediate needs and circumstances in various special and capital funds, including actions within the Home Investment Partnership Program Fund, Inclusionary Fee Fund, and the Low and Moderate Income Housing Asset Fund to reallocate available funding for a Notification of Funding Availability (NOFA) expected to be issued by the end of October; reconciling adjustments in the Transient Occupancy Tax (TOT) Fund and Convention and Cultural Facilities Fund to reflect actual TOT revenues received in 2022-2023, which ended slightly below budgeted estimates; adjustments within the Airport Capital Program to reflect revised Federal grant and local match funding related to the Taxiway V project; allocations to begin work on a new Coyote Creek Trail segment from Roosevelt Park to Watson Park, and fire safety upgrades at Happy Hollow Park and Zoo within the Parks and Facilities Development Capital Program; the allocation of prior year interest earned from Measure T Bond proceeds into the reserve to help address likely cost escalations related to various Public Safety Measure T construction projects;

EXECUTIVE SUMMARY

tool for the Vision Zero program and to initiate a multi-year program to implement additional safety improvements near San José schools.

Recommended budget actions are summarized later in this message and described in *Section IV: Recommended Budget Adjustments and Clean-Up/Rebudget Actions*.

As the fiscal year progresses, the Administration will continue to monitor and report on the City's budgetary performance through Bi-Monthly Financial Reports that are agendaized four times a year for review by the Public Safety, Finance, and Strategic Support (PSFSS) Committee, and the Mid-Year Budget Review that is heard by the full City Council in February. The financial results of 2022-2023 will also be factored into the development of the 2024-2025 City Manager's Budget Request & 2025-2029 Five-Year Forecast and Revenue Projections document that will be released at the end of February 2024.

BACKGROUND

Each year the City issues the Annual Report at the end of September, three months after the close of the fiscal year, as required by the City Charter. Following is a description of the various sections of the Annual Report document.

- **Transmittal Memorandum** – This section provides an overall summary of the 2022-2023 Annual Report.
- **Section I: Budget Performance Summary (All Funds)** – This section provides a comparison of the 2022-2023 budget to actual revenues received and expenditures incurred by fund as well as an explanation of revenue and/or expenditure variances of 10% or greater to the budget. This section also provides a comparison of the year-end actual 2022-2023 Ending Fund Balance by fund to the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance estimate used in the development of the 2023-2024 Adopted Budget. In addition, a listing of the Earmarked and Contingency Reserves that were available at the end of 2022-2023 by fund is included.
- **Section II: General Fund Budget Performance** – This section provides a summary of the General Fund budget performance in 2022-2023, including the following: Results of Operations in the General Fund, Revenue Performance, and Expenditure Performance.
- **Section III: Selected Special/Capital Funds Budget Performance** – This section provides financial information on the 2022-2023 year-end performance for selected special and capital funds that represent major City operations. It includes a discussion of variances between actual and budgeted revenues and expenditures as well as a comparison between the actual ending fund balance and the fund balance estimated for 2022-2023 in the development of the 2023-2024 Adopted Budget.

BACKGROUND

- **Section IV: *Recommended Budget Adjustments and Clean-Up/Rebudget Actions*** – This section provides a description of the recommended budget adjustments and clean-up/rebudget actions for City Council consideration. The proposed actions fall into three categories: (1) adjustments to the 2023-2024 Beginning Fund Balance amounts in various funds, including the General Fund, based on the final reconciliation of 2022-2023; (2) upward and downward adjustments to previously rebudgeted sums to ensure the appropriate amount of unexpended funds are carried over to 2023-2024 to complete projects; and (3) actions based on more recent information that are necessary to revise the 2023-2024 budget to align budgeted revenue and expenditures with the most current information, correct technical problems, recognize new or adjust grant, reimbursement or fee activity revenues and expenditures, reflect changes in project and program allocations based on revised cost estimates, as well as establish a limited number of new projects and programs in special and capital funds.
- **Section V: *Financial Statements*** – This section provides the financial results (unaudited), prepared by the Finance Department, for all budgeted fund groups for 2022-2023. It should be noted that audited financial results will be released later in the fall as part of the 2023 Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2023. Final fund balance reconciliations to the Annual Comprehensive Financial Report will be conducted for all funds and, while few adjustments are typically necessary, any final adjustments will be brought forward for City Council consideration as part of the 2023-2024 Mid-Year Budget Review.

ANALYSIS

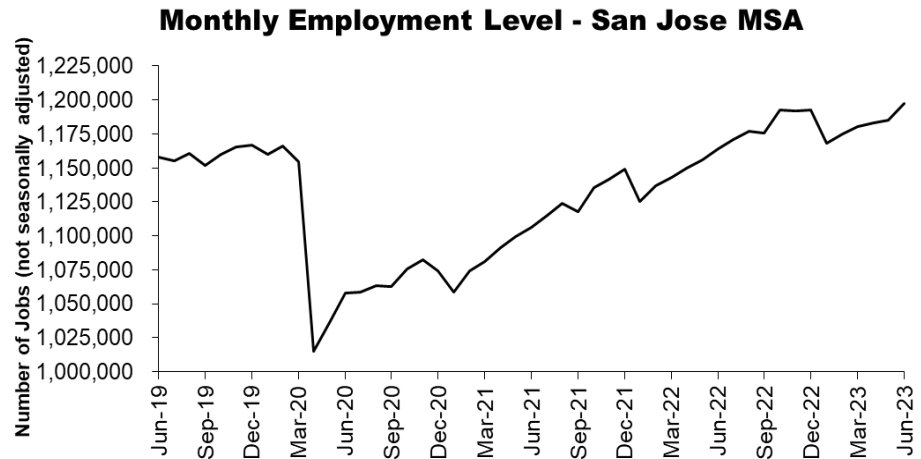
This Analysis section includes the following:

- an overview of the economic environment;
- a discussion of the 2022-2023 budget performance of all City funds;
- a discussion of the 2022-2023 budget performance for the General Fund;
- a discussion of the components of the 2022-2023 General Fund ending fund balance;
- an analysis of the impact of the General Fund performance on the 2023-2024 Adopted Budget; and
- a discussion of the 2022-2023 budget performance of selected special and capital funds.

Economic Environment

While Silicon Valley continues to show overall positive economic performance, several potential indicators of a future economic weakening have begun. These economic indicators include a slow-down in the local real estate market and raising unemployment rates. While employment figures continue to be relatively strong, layoffs, especially in the technology sector, have begun impacting unemployment rates.

The June 2023 employment level of 1.20 million in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (San José MSA) grew by 32,900 jobs, or 2.8%, from the June 2022 level of 1.16 million. This increase included private education and health services adding 12,200 jobs; leisure and hospitality growing by 11,800 jobs; and professional and business services increasing by 3,400 jobs.¹



Unemployment Rate (Unadjusted)			
	June 2022	May 2023	June 2023**
San José Metropolitan Statistical Area*	2.7%	3.3%	3.7%
State of California	4.1%	4.5%	4.9%
United States	3.8%	3.4%	3.8%
* San Benito and Santa Clara Counties Source: California Employment Development Department.			
** June 2023 estimates are preliminary and may be updated.			

The local unemployment rate for June 2023 was 3.7%, which was higher than the May 2023 rate of 3.3% and the prior year unemployment rate of 2.7%. However, the June 2023 San José Metropolitan Statistical Area unemployment rate continued to be lower than the unadjusted unemployment rate for the State (4.9%) and the nation (3.8%).

Overall construction activity through June 2023 decreased 14.0% from prior-year levels, primarily due to activity for the commercial land use category experiencing a significant year-over-year decline. The 2022-2023 Adopted Budget was developed with the expectation that development activity would increase slightly from 2021-2022 development activity projections identified in the 2023-2027 Five-Year Forecast. Development activity has been on a downward trend since 2019-2020 and will continue to be closely monitored.

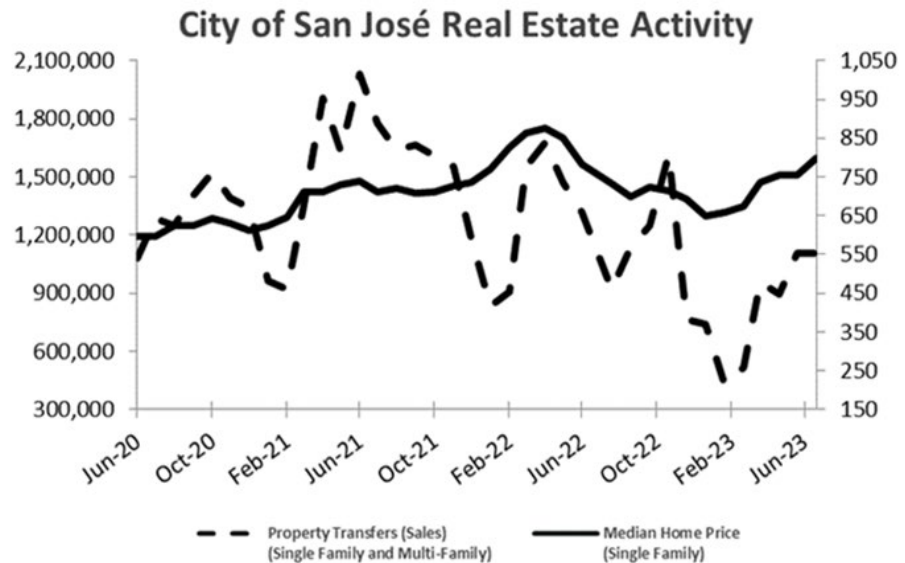
¹ State of California Employment Development: Labor Market Information Division Press Release, July 21, 2023

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Economic Environment

While construction activity and employment levels are still relatively strong, an area of concern is the continued weakening of the local real estate market. Beginning in mid-2020, the local real estate market was robust, posting record high median single home prices, and very strong sales activity with properties selling very quickly.

However, beginning in December 2021, property sales started to dip, with year-over-year transactions (from the same time period in the prior year) declining most months. Further, in order to combat high inflation rates, the Federal Reserve significantly raised interest rates over the past year and have indicated rates will remain elevated for an extended period of time. As interest rates increased, so did mortgage rates, which are expected to continue to negatively impact the number and price of property sales. According to data from the Santa Clara County Association of Realtors, in June 2023, the median single-family home price totaled \$1.60 million, which is 2.4% higher than the June 2022 price of \$1.56 million. This modest year-over-year increase followed seven consecutive months of year-over-year price drops. Homes are staying on the market for longer periods of time before selling; the average days-on-market for 2022-2023 totaled 24 days, which is significantly above the average of 14 days experienced in 2021-2022. In addition, property sales activity has declined for eight consecutive months. Overall, property sales declined 33.4% in 2022-2023 compared to 2021-2022.



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2022-2023 Budget Performance (All Funds)

As shown in Section I of this document, City revenues (excluding Beginning Fund Balances) totaled \$4.7 billion in 2022-2023, which was 10.0% (\$526.7 million) below the budgeted estimate of \$5.3 billion.

In 2022-2023, expenditures (excluding Reserves and Ending Fund Balances) totaled \$5.1 billion, which was \$1.4 billion (21.8%) below the modified budget of \$6.5 billion. At the end of 2022-2023, the Contingency and Earmarked Reserves for all City funds totaled \$940.5 million, which represented 11.6% of the total 2022-2023 Modified Budget of \$8.1 billion (including interfund transfers, loans, and contributions). In the General Fund, Reserves totaled \$341.9 million.

The financial performance in 2022-2023 is used as the starting point for 2023-2024. The collective 2022-2023 Ending Fund Balances for all City funds totaled \$2.43 billion, which was \$42.0 million above the 2022-2023 Ending Fund Balance estimates of \$2.39 billion used in the development of the 2023-2024 Adopted Budget. After adjusting for a total net negative rebudget of \$9.5 million recommended in this report, the adjusted 2022-2023 Ending Fund Balance variance for all funds increases to \$51.5 million, or 0.6% of the 2022-2023 Modified Budget. The adjusted fund balance variance totaled -\$451,000 in the General Fund, -\$6.3 million in the special funds, and \$58.2 million in the capital funds.

The City's General Fund ended the 2022-2023 fiscal year within budgeted levels. As shown in the chart below, the General Fund Ending Fund Balance of \$639.4 million was \$9.7 million (0.3% of the 2022-2023 Modified Budget for revenues and expenditures) above the fund balance estimate assumed when the 2023-2024 Adopted Budget was developed. The following table summarizes the General Fund performance in 2022-2023, comparing the actual results to the Modified Budget and the estimates used to develop the 2023-2024 Adopted Budget.

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2022-2023 General Fund Budget Performance

**Table 1
 General Fund Year-End Status
 For the Year Ended June 30, 2023
 (\$000s)**

Sources	2022-2023 Modified Budget	2022-2023 Year-end Estimate	2022-2023 Budgetary Basis Actual	Actual to Budget Variance	Actual to Estimate Variance
<i>Beginning Fund Balance</i>	558,987	558,987	558,987	-	-
<i>Carryover Encumbrances</i>	63,827	63,827	63,827	-	-
<i>Liquidation of Carry-over Encumbrances</i>	-	500	(10,474)	(10,474)	(10,974)
<i>Revenue</i>	1,698,822	1,698,757	1,703,747	4,925	4,990
Total Sources	2,321,636	2,322,071	2,316,087	(5,549)	(5,984)
Uses					
<i>Expenditures/Transfers</i>	1,979,716	1,692,444	1,676,728	(302,988)	(15,716)
<i>Reserves</i>	341,920	-	-	(341,920)	-
Total Uses	2,321,636	1,692,444	1,676,728	(644,908)	(15,716)
<i>Ending Fund Balance</i>	-	629,627	639,359	639,359	9,732

Note: In the chart above, the General Fund excludes the Emergency Reserve Fund and the Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2022-2023 Annual Comprehensive Financial Report, the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

In 2022-2023, total revenue in the General Fund was \$1.7 billion, which was within 0.2%, or \$4.9 million, of the 2022-2023 Modified Budget, and \$5.0 million (0.2%) above the estimate used to develop the 2023-2024 Adopted Budget. The 2022-2023 Liquidation of Carry-over Encumbrances was -\$10.5 million due to a transfer of encumbrances from the American Rescue Plan Fund to the General Fund, which was completely offset by an equal transfer from the American Rescue Plan Fund to the General Fund, for a net-zero impact to the General Fund. Due to Federal debt ceiling negotiations between the President and the U.S. Congress that had the potential to claw back any unobligated American Rescue Plan funding, on May 25, 2023, the City Council approved the reallocation of funding with the American Rescue Plan Fund and the General Fund to ensure the completion of community and economic recovery activities previously authorized by the City Council².

General Fund expenditures/transfers of \$1.7 billion were \$303.0 million (13.1%) below the 2022-2023 Modified Budget level of \$2.0 billion and \$15.7 million (0.9%) below the estimate used to develop the 2023-2024 Adopted Budget. Budgeted reserves of \$341.9 million remained unexpended at year-end as expected.

² <https://sanjose.legistar.com/LegislationDetail.aspx?ID=6227829&GUID=662E2D26-84BF-417C-97A7-BB74B536A69B>

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2022-2023 General Fund Budget Performance

**Table 2
 General Fund
 Comparison of Year-End Actuals with Prior Year
 (\$000s)**

	2021-2022 Actuals	2022-2023 Actuals	Change	% Change
Source of Funds				
Beginning Fund Balance	369,180	558,987	189,807	51.4%
Revenues	1,739,529	1,703,747	(35,782)	-2.1%
Total Source of Funds	2,108,709	2,262,734	154,025	7.3%
Use of Funds				
Personal Services	926,148	887,825	(38,323)	-4.1%
Non-Personal/Equipment/Other	175,738	194,847	19,109	10.9%
City-Wide Expenses	417,653	518,580	100,927	24.2%
Capital Contributions	56,817	37,665	(19,152)	-33.7%
Transfers	30,393	37,811	7,418	24.4%
Reserves	-	-	-	N/A
Total Use of Funds	1,606,749	1,676,728	69,979	4.4%

As shown in Table 2, 2022-2023 General Fund revenues (excluding Beginning Fund Balance, which varies depending on the level of unspent funds carried into the following year) of \$1.70 billion represents a decrease of 2.1% (\$35.8 million) from the 2021-2022 collection level of \$1.74 billion. Lower 2022-2023 revenues were received from Real Property Transfer Tax (-\$53.7 million), which reflects a more constrained real estate market in 2022-2023 compared to 2021-2022; Transfers from Other Funds dropped by \$37.3 million, which is primarily due to the American Rescue Plan Fund transfer to the General Fund totaling \$53.8 million in 2021-2022 and \$16.0 million in 2022-2023; and Other Revenue dropped by \$38.0 million primarily due to Lease Revenue Bond proceeds of \$15.0 million being received in 2021-2022, higher Tax and Revenue Anticipation Notes (TRANS) revenue being issued in 2021-2022 (\$10.0 million), and larger grant revenue being received in 2021-2022 (\$8.8 million). Partially offsetting the lower receipts in these categories were year-over-year increases for Property Tax (\$34.9 million), Utility Tax (\$20.7 million), and Sales Tax (\$20.3 million). These revenues experienced year-over year growth due to several factors including strong economic activity and higher utility rates.

General Fund expenditures of \$1.7 billion in 2022-2023 were 4.4% (\$70.0 million) above prior year expenditure levels of \$1.6 billion. This increase is due to higher City-Wide Expenses (\$101.0 million), Non-Personal/Equipment/Other (\$19.1 million), and Transfers (\$7.4 million), partially offset by lower Personal Services (\$38.3 million) and Capital Contributions (\$19.2 million).

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2022-2023 General Fund Budget Performance

The reduction in Personal Services expenditures is primarily attributable to the reallocation of \$87.9 million of Police Department Personal Services costs from the General Fund to the American Rescue Plan Fund resulting from the previously described City Council action on May 25, 2023. It is important to note that the reallocation of Police Department expenses was accompanied by an equal shift of community and economic recovery project from the American Rescue Plan Fund to the General Fund – the total available budget for the Police Department and the various community and economic recovery workstreams remained unchanged.

A detailed discussion of the General Fund revenue and expenditure performance is provided in Section II of this document.

2022-2023 General Fund Ending Fund Balance

The current budgeting practice of the City is to use the projected level of fund balance expected to remain in the General Fund at the end of any fiscal year as a funding source for the following year. The Ending Fund Balance estimate always contains two components: the portion of the fund balance that is rebudgeted for completing projects or retaining reserves; and the portion which is undesignated and available as a general funding source in the coming year. In the 2023-2024 Adopted Budget, a total Ending Fund Balance estimate of \$629.6 million was included as a funding source. As discussed earlier, the actual 2022-2023 General Fund Ending Fund Balance of \$639.4 million was \$9.7 million above the Adopted Budget estimate.

The components of the 2022-2023 General Fund Ending Fund Balance include a net total of additional funding sources, expenditure/transfer savings, and unexpended reserves as described below:

**2022-2023 General Fund
Ending Fund Balance Components**

Fund Balance Component	\$ Amount (\$ in 000s)
Funding Sources	\$ (5,550)
Expenditure/Transfer Savings	302,989
Unexpended Reserves	341,920
TOTAL	\$ 639,359

The total Funding Sources component ended the year \$5.6 million below the Modified Budget as a result of higher revenues (\$4.9 million), offset by a negative liquidation of carry-over encumbrances (-\$10.5 million) that is related to a transfer of encumbrances from the American Rescue Plan Fund to the General Fund, which was completely offset by an equal transfer from the American Rescue Plan Fund to the General Fund. For the Expenditure/Transfer Savings component, expenditure and transfer savings totaled \$303.0 million, while Unexpended Reserves component totaled \$341.9 million, representing the largest component of the 2022-2023 Ending Fund Balance.

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2022-2023 General Fund Ending Fund Balance

Of the \$303.0 million in expenditure/transfer savings, a majority was rebudgeted in the 2023-2024 Adopted Budget (\$265.2 million) or assumed as savings as part of the development of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance (\$27.2 million). Additional savings of \$4.7 million is recommended for rebudget or technical clean-up as part of this report.

General Fund Unexpended Reserves, totaling \$341.9 million at the end of 2022-2023, were anticipated and include three categories: Earmarked Reserves (\$268.2 million) established to address specific programmatic needs per City Council direction; Ending Fund Balance Reserve (\$27.7 million) established to help ensure sufficient fund balance would be available at the end of 2022-2023 to meet the budgeted estimate used for the development of the 2023-2024 Adopted Budget, and the Contingency Reserve (\$46.0 million) set at a minimum of 3% of General Fund operating expenditures per City Council policy.

As discussed above, it was estimated and assumed that \$629.6 million would remain in the General Fund at the end of 2022-2023 and would be carried over to 2023-2024 as Beginning Fund Balance as part of the adoption of the 2022-2023 Budget. These funds, which were expected to be generated from additional revenue, liquidation of carryover encumbrances, expenditure savings, unexpended funds that were rebudgeted to 2023-2024 to complete projects, and unexpended reserves, were programmed for use in the 2023-2024 Adopted Budget. As also previously discussed, the actual General Fund Ending Fund Balance was above the estimate used in the 2023-2024 Adopted Budget by \$9.7 million due to revenue and expenditure savings that were slightly above June 30, 2023 levels.

The following chart details the recommended uses of the \$9.7 million of additional fund balance, as well as other budget adjustments that are proposed as part of this report. Recommended clean-up/rebudget actions increases the available fund balance by \$8.9 million to \$18.6 million, or 0.5% of the 2022-2023 Modified Budget for revenues and expenditures. This additional fund balance is proposed to be allocated to address required technical/rebalancing needs.

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

RECOMMENDED 2023-2024 GENERAL FUND ADJUSTMENTS (\$000s)		(\$ in 000s)
2022-2023 Additional Fund Balance		\$9,732
• Clean-Up/Rebudget Actions.....		\$8,857
Revenue Rebudgets/Clean-Ups	\$12,747	
City-Wide Expenses/Transfers/Reserves	(\$937)	
General Fund Capital	(\$1,499)	
Departmental	(\$1,453)	
Fund Balance Available After Clean-up/Rebudget Actions		\$18,589
• Recommended Budget Adjustments		(\$18,589)
Required Technical/Rebalancing Actions		
Emergency Interim Housing Construction and Operation	(\$15,000)	
Community and Economic Recovery Reserve	(\$1,350)	
Contingency Reserve	(\$1,000)	
Solid Waste Code Enforcement Program Reserve	(\$680)	
City Attorney’s Office Outside Litigation Reserve	(\$510)	
Unanticipated/Emergency Maintenance (Civic Center Elevator Repairs and Assessment)	(\$400)	
Public Works Non-Personal/Equipment (City-Owned Property Management and Maintenance)	(\$375)	
PBCE Non-Personal/Equipment (Pleasant Hills Golf Course)	(\$250)	
Local Sales Tax – Transfer to the Airport Revenue Fund (Jet Fuel)	(\$200)	
PRNS Non-Personal/Equipment (Vehicle Cost Escalation)	(\$200)	
Police Non-Personal/Equipment (Police Department Badging System Upgrade)	(\$150)	
San José Museum of Art Cooling Tower Replacement	(\$150)	
Fire Training Center Relocation	(\$125)	
BeautifySJ and Encampment Waste Pick Up – BeautifySJ Consolidated Model	(\$120)	
Police Personal Services (Child Forensic Interviewer)	(\$113)	
City Attorney Non-Personal/Equipment (Outside Counsel)	(\$100)	
Sports Authority (2023 U.S. Gymnastics Championships)	(\$100)	
BeautifySJ Grants	(\$100)	
Transfers and Reimbursements (Transfer from American Rescue Plan Fund)	\$2,244	
Revenue from Local Agencies (Berryessa Union School District – Expanded Learning Opportunities Programs Grant)	\$270	
Other Net Adjustments	(\$181)	
Subtotal Required Technical/Rebalancing Actions	(\$18,589)	
Grants/Reimbursements/Fees (Sources = (\$3.0 million); Uses = (\$3.0 million))		\$0
Remaining Fund Balance		\$0

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

A summary of the significant adjustments by category is included below. More detail is provided in *Section IV: Recommended Budget Adjustments and Clean-Up/Rebudget Actions*.

Clean-Up/Rebudget Actions (\$8.9 million)

A series of adjustments are recommended to complete existing projects continuing into 2023-2024 and to reflect any necessary technical budget adjustments or reconciliation actions. The Annual Report is the point in the budget process where action is required to rebudget unexpended funds from the prior year that were not anticipated when the Adopted Budget was approved, but are required to complete a project or program in the current year. The largest rebudget actions are for the following appropriations: Government Access – Capital Expenditures (-\$1.9 million); Digital Inclusion Program (-\$1.8 million); Google Community Benefits – Community Stabilization (-\$1.7 million); Measure E – Project Homekey 2.0 (40% ELI) (-\$725,000); Fire Apparatus Replacement (-\$549,000); Office of Equality Assurance Labor Compliance System (-\$530,000); Food and Necessities (-\$500,000); Workers’ Compensation Claims – Fire (Rebudget savings from Workers’ Compensation – Fire and Worker’s Compensation – Police, -\$500,000); and Child and Youth Services – PRNS (Programs Experiences and Scholarships, -\$362,000).

Actions are also recommended that reduce previous rebudgets to reflect instances where expenditures for which rebudgets were approved for incorporation into the Adopted Budget exceeded estimates for 2022-2023; therefore, the funds are not available for rebudget to 2023-2024. The largest actions include Emergency Housing – Emergency Housing Construction and Operation (\$7.0 million), BeautifySJ Consolidated Model (\$2.8 million), Digital Equity – Device Access (\$1.3 million), and Small Business Recovery – Supplemental Economic Development Associate Capacity Building (\$1.0 million).

Further, actions are recommended to rebudget revenues that were anticipated but, not received in 2022-2023, including grant funding to reimburse the City for commitments made in 2022-2023, the largest of which include: Revenue from State of California for the CaliforniansForAll Youth Workforce Program (\$11.1 million); Revenue from Federal Government (Urban Areas Security Initiative – Police 2021, \$700,000); and, Other Revenue (Knight Foundation – Internet of Things, \$375,000).

Other technical adjustments include net-zero shifts between departments and appropriations, as well as the reconciliation of restricted funding for multiple programs. (e.g., Tree Mitigation, Licenses and Permits (Cardroom Fee Reconciliation), Certified Access Specialist Program, and Government Access – Capital Expenditures). These actions also include reconciliation adjustments to increase the Contingency Reserve to account for funding allocated during the 2023-2024 Proposed Budget process and funding rebudgeted as part of the Adopted Budget process, and to various Measure E allocations to account for the \$8.7 million shortfall of Real Property Transfer Tax revenues in 2022-2023 and various technical adjustments to align expenditure and reserve appropriations in accordance with prior City Council direction.

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

Recommended Budget Adjustments (-\$18.6 million)

A number of General Fund budget adjustments, with a total net cost of \$18.6 million are recommended and can be classified under two categories: 1) Required Technical/Rebalancing Actions (net cost of \$18.6 million) that align already approved revenue estimates and expenditure budgets with the most current tracking information, reallocate funding among appropriations based on updated needs, correct technical problems or insufficient allocations included in the 2023-2024 Adopted Budget, or comply with actions previously authorized by the City Council; and, 2) Grants/Reimbursement/Fee Activities (net zero expenditure increase of \$3.0 million) actions that recognize new or adjust grants, reimbursements, or fee activity revenues, and adjust the appropriations for these purposes as necessary.

Notable actions under each category are outlined below.

- **Required Technical/Rebalancing Actions (-\$18.6 million)**
 - ***Emergency Interim Housing Construction and Operation*** – as previously directed by the City Council, increases the Emergency Interim Housing Construction and Operation appropriation by \$15.0 million, from \$14.5 million to \$29.5 million, to supplement current year and future year resources for the development, design, construction, and operation of interim housing sites. As part of their approval of the Mayor’s June Budget Message for Fiscal Year 2023-2024 and the 2023-2024 Adopted Operating Budget, the City Council directed the allocation of up to \$15.0 million from the General Fund Ending Fund Balance over two years for interim shelter and other homeless support program costs if additional funding was available. Given the availability of Ending Fund Balance in this report; the continued prioritization of the City Council and community to address unsheltered homelessness; that the City continues to move forward with interim housing development at Rue Ferrari, Cerrone, Cherry, as well as a cost-benefit analysis of Via Del Oro scheduled for City Council consideration at their meeting on October 17, 2023; and the significant resource needs for these critical programs³, this action allocates the full \$15.0 million to support the near-term development and operating costs of interim housing. (-\$15.0 million)

³ Please see Manager’s Budget Addendum #19, *Updated Interim Housing and Budgetary Forecast*: <https://www.sanjoseca.gov/home/showpublisheddocument/98310/63820631374720000>

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

- ***Community and Economic Recovery Reserve*** – increases the Community and Economic Recovery Reserve by \$1.35 million, from \$10.15 million to \$11.5 million, to support recovery workstreams and initiatives. This reserve was originally established with City Council’s approval of the 2021-2022 Mid-Year Budget Review to capture savings from previously authorized community and economic recovery efforts in response to the pandemic so that these savings could be reinvested for their potential continuation. This increase of \$1.35 million is a result of additional savings from recovery initiatives that were shifted from the American Rescue Plan Fund to the General Fund as part of Item 3.1, as approved by the City Council at its May 25, 2023 Special Meeting. This revised funding level is anticipated to provide sufficient funding for the City’s potential financial commitment toward the Isolation and Quarantine program managed by the County of Santa Clara, which is anticipated to be brought before the City Council later in the fiscal year. (-\$1.35 million)
- ***Contingency Reserve*** – increases the Contingency Reserve by \$1.0 million in accordance with Council Policy 1-18 which provides for the maintenance of a minimum 3% Contingency Reserve in the General Fund to meet unexpected circumstances arising from financial and/or public emergencies that require immediate funding that cannot be met by any other means. The current Contingency Reserve level of \$47.0 million was calculated against Base Budget expenditures and an assumed amount of funding that was rebudgeted at fiscal year-end. This action adjusts the Contingency Reserve to account for the remaining balances recommended to be rebudgeted as part of the 2022-2023 Annual Report. In addition, a separate Clean-Up reconciling action included elsewhere in this report increases the Contingency Reserve by \$2.0 million to account for the final funding allocated during the 2023-2024 Proposed Budget process and funding rebudgeted as part of the Adopted Budget process. The combined actions will bring the Contingency Reserve to \$50.0 million. It is important to note, however, that if this Contingency Reserve is ever needed, it is only sufficient to cover General Fund payroll expenditures for approximately two weeks in the event of an emergency. (-\$1.0 million)
- ***Solid Waste Code Enforcement Program Reserve*** – establishes the Solid Waste Code Enforcement Program Reserve in the amount of \$680,000. The Solid Waste Code Enforcement Program is a full cost recovery program funded through fees, and the program ended 2022-2023 with a combination of expenditure savings and additional revenues totaling \$680,000. This funding will be set aside for future use by the Solid Waste Code Enforcement Program. (-\$680,000)

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

- ***City Attorney's Office Outside Litigation Reserve*** – increases the City Attorney's Office Outside Litigation Reserve by \$510,000, from \$490,000 to \$1.0 million, to restore funding to needed levels following the reallocation of resources to the City Attorney's Office during 2022-2023 for outside legal services. (-\$510,000)

- ***Unanticipated/Emergency Maintenance (Civic Center Elevator Repairs and Assessment)*** – increases the Unanticipated/Emergency Maintenance appropriation by \$400,000, from \$1.3 million to \$1.7 million, to fund an assessment of all the elevators in the Civic Center and initial funding for as needed repairs and maintenance of the elevators. Due to the aged elevator system infrastructure at the Civic Center and recent reliability issues, there is a need to update and modernize controls equipment and infrastructure for the elevators within the facility. The current system infrastructure is consistently experiencing issues, with users stuck in cabs for periods of time, and other units being offline for longer periods, with some out-of-service for more than one year. This funding will set aside dedicated funding for an assessment necessary to develop a scope for a future major renovation project and to start repairs and maintenance, which will help run operations smoothly in the Civic Center. (-\$400,000)

- ***Public Works Non-Personal/Equipment (City-Owned Property Management and Maintenance)*** – increases the Public Works Department's Non-Personal/Equipment appropriation by \$375,000 to provide the resources necessary to address urgent maintenance needs to various City-owned properties. Funding will be used to demolish a vacant building located on Taylor Street and for immediate repairs and security needs prior to the demolition of the building (\$175,000). The vacant property should be demolished for safety and cost-effective reasons since trespassers have been vandalizing the property and/or lighting fires inside for heating and cooking. Funding is also needed to address unanticipated property maintenance, including replacing the HVAC system at 3Below and changing the fire control panel and building management system at 88 S. 4th Street prior to new tenants moving in (\$200,000). Currently addressed on a one-off basis, the Public Works Department, the Office of Economic Development and Cultural Affairs, and the City Manager's Budget Office will coordinate to develop an ongoing budget allocation for property management and maintenance needs as part of the 2024-2025 Base Budget. (-\$375,000)

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

- ***PBCE Non-Personal/Equipment (Pleasant Hills Golf Course)*** – increases the Planning, Building, and Code Enforcement’s (PBCE) Non-Personal/Equipment appropriation by \$250,000 to fund consultant services in the City-led community engagement process for the proposed redevelopment of the former Pleasant Hills Golf Course property. On April 25, 2023, City Council approved and directed the Administration to begin a City-led process of community engagement on the potential development of the former Pleasant Hills Golf Course property concurrent with consideration of a potential development application by summer 2024. This action will provide funds for a consultant to augment and assist with this process given the extensive work needed within the stipulated timeline. This work entails community engagement; developing a Guiding Principles document for the City Council; and updating the CEQA, General Plan, and Zoning application review process, which requires significant staff and consultant involvement. The consultant will collaborate with community-based partners in an attempt to reach all elements of the community and also retain a subconsultant to assist in assessing multimodal transportation improvements. (-\$250,000)
- ***Local Sales Tax – Transfer to the Airport Revenue Fund (Jet Fuel)*** – increases the Transfer from the General Fund to the Airport Revenue Fund for the estimated Jet Fuel Local Sales Tax from July 2023 to June 2024 by \$200,000, from \$400,000 to \$600,000. Per Federation Aviation Administration (FAA) policy, Sales Tax revenue related to jet fuel sales that are located at Airport properties must be returned to the Airport. This FAA policy applies to sales tax that went into effect after December 31, 1987. Given this timeframe, the City of San José's General Sales Tax is exempt from this regulation as it was in effect before December 31, 1987; however, the Local Sales Tax effective October 2016, must follow the FAA policy. In 2022-2023 jet fuel related local sales tax collections totaled approximately \$600,000; therefore, this action increases the estimated 2023-2024 transfer to align the revenue with prior year activity levels. (-\$200,000)
- ***PRNS Non-Personal/Equipment (Vehicle Cost Escalation)*** – Increases the Parks, Recreation and Neighborhood Services Department’s (PRNS) Non-Personal/Equipment appropriation by \$200,000 to fund estimated increased costs due to supply chain issues and inflationary factors for nine new vehicles for Beautify San José that were previously budgeted and will be ordered in 2023-2024. (-\$200,000)
- ***Police Non-Personal/Equipment (Police Department Badging System Upgrade)*** – increases the Police Department’s Non-Personal/Equipment appropriation by \$150,000 to fund the replacement of the access control badging system at the Police Administration Building and Police and Communications buildings. The outdated system no longer complies with the Department of Justice requirements, prompting a replacement. With a total replacement cost \$250,000, the Police Department currently has the ability to absorb a portion of the costs (\$100,000), leaving a funding shortfall of \$150,000 that is resolved with the recommended action. (-\$150,000)

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

- ***San José Museum of Art Cooling Tower Replacement*** – increases the San Jose Museum of Art Cooling Tower Replacement appropriation by \$150,000, from \$2.85 million to \$3.0 million, to fund immediate repairs and temporary cooling and humidity equipment until the replacement of the new cooling tower is completed. The cooling tower has been breached due to old age and deterioration, already causing the water content to leak. While full replacement of the cooling tower is in process to be bid, awarded, and completed, this additional funding will provide for an interim solution until the larger project moves forward. (-\$150,000)
- ***Fire Training Center Relocation*** – increases the Fire Training Center Relocation appropriation by \$125,000, from \$1.375 million to \$1.5 million, to offset higher than expected close out expenses. This project is scheduled to be fully completed by June 2024 with a full beneficial use in October 2023. (-\$125,000)
- ***BeautifySJ and Encampment Waste Pick Up – BeautifySJ Consolidated Model*** – Increases the BeautifySJ and Encampment Waste Pick Up – BeautifySJ Consolidated Model appropriation by \$120,000 to fund additional support from the San José Police Department for BeautifySJ abatement activities. The amount budgeted for Police Department support for abatement activities in 2023-2024 is \$250,000; however, a total of \$580,000 was expended in 2022-2023. Increasing the existing budget by approximately 50% is anticipated to help provide the additional capacity needed to assist with abatement work. The presence and support of Police Officers ensure a safe environment by providing a visible deterrent and protection from disruption at the encampments when signs need to be posted of an upcoming abatement or an area that needs to be abated. (-\$120,000)
- ***Police Personal Services (Child Forensic Interviewer)*** – increases the Police Department’s Personal Services appropriation by \$112,719 to support the hiring of child forensic interviewers for the Children’s Advocacy Center (CAC). The CAC supports families and children who are victims of sexual assault. The child forensic interviewers provide critical services in support of the CAC by conducting interviews and mandatory peer reviews of interviews conducted by detectives within the Department. The City of San José and the County of Santa Clara executed and entered a reimbursement agreement for \$260,000 for services between July 1, 2023 and June 30, 2024, where the City provides staffing for a part-time Child Forensic Interviewer with costs for the position to be reimbursed by the County. As part of the development of the 2023-2024 Base Budget, the revenues were recognized and budgeted; however, the corresponding increase to the Personal Services appropriation was inadvertently omitted. This action corrects the oversight and aligns the expense with the revenue budget. (-\$113,000)

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

- ***City Attorney Non-Personal/Equipment (Outside Counsel)*** – increases the Office of the City Attorney’s Non-Personal/Equipment appropriation by \$100,000, as the existing budget is insufficient to provide the necessary level funding for specialized expertise and services that are expected to be provided by contracted outside counsel. (-\$100,000)

- ***Sports Authority (2023 U.S. Gymnastics Championships)*** – increases the Sports Authority City-Wide Expenses appropriation by \$100,000, from \$678,236 to \$778,236, to address a funding shortfall for San Jose Sports Authority host requirements related to the 2023 USA Gymnastics (USAG) Championships bid fee of \$250,000. As part of the 2023-2024 Adopted Budget, \$150,000 was allocated for the USAG Championships; however, the Sports Authority’s requested contribution from the City was insufficient, leaving a funding shortfall of \$100,000. This action will provide the full funding necessary for the bid fee. The USAG championships was broadcast live by NBC from August 24-27, with primetime nationwide coverage on Friday, Saturday, and Sunday providing visibility for San José and enhancing its image as a destination city. Approximately 2,500 members of the USA Gymnastics community were estimated to attend the national congress and trade show at the San Jose McEnery Convention Center, yielding economic benefits by stimulating downtown business activity and creating jobs for area hotels, restaurants, bars, transportation, and especially event venues (both the SAP Center and San Jose McEnery Convention Center). Visit San Jose estimated an economic impact for the 2023 USAG Championships of approximately \$7.81 million, with 4,189 total room nights, and event guest spending that yielded an approximate return of \$31 for every \$1 dollar invested by the City. (-\$100,000)

- ***BeautifySJ Grants*** – increases the BeautifySJ Grants City-Wide Expenses appropriation in the amount of \$99,924. The BeautifySJ Grant Program funds small grants to Neighborhood Associations District Leadership groups, Emerging Neighborhood groups, Property Owner/Tenant associations, and community partner groups to implement beautification projects and neighborhood building events. Near the end of 2022-2023, PRNS received \$99,924 in unused funds from 46 groups. The unused funds will be allocated back to this program, which can then be granted to other groups for beautification projects. (-\$100,000)

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

- ***Transfers and Reimbursements (Transfer from American Rescue Plan Fund)*** – increases the revenue estimate for Transfers and Reimbursements to recognize a transfer of \$2.2 million from the American Rescue Plan Fund, reflecting the remaining balance in the fund due to accumulated interest earnings and liquidated encumbrances, to support workstreams previously funded by the American Rescue Plan Fund and shifted to the General Fund in 2022-2023. This amount serves as a contribution to the \$15.0 million allocated for Emergency Interim Housing Construction and Operation as described above. (\$2.2 million)
- ***Revenue from Local Agencies (Berryessa Union School District – Expanded Learning Opportunities Programs Grant)*** – increases the estimate for Revenue from Local Agencies in the amount of \$269,675 to recognize the 2023-2024 allocation of the Expanded Learning Opportunities Program (ELOP) agreement with Berryessa Union School District (BUSD). Through the ELOP agreement, BUSD provides registration fees to the City for specific students to attend the after-school program R.O.C.K. at select elementary schools in the Berryessa Union School District. The original contract totaled \$273,000, of which \$3,925 was used in 2022-2023. This action budgets the remainder of the award to 2023-2024. (\$270,000)
- ***Business Tax (Net-Zero Adjustments)*** – aligns the 2023-2024 budgeted estimate for the General Business Tax and Cardroom Tax with the anticipated collection levels. Due to higher than anticipated 2022-2023 General Business Tax collections, the 2023-2024 receipts can drop by 8% to meet the budgeted estimate of \$27.5 million. As 2023-2024 General Business Tax receipts are not anticipated to drop, a recommendation is included to increase the 2023-2024 estimate by \$2.0 million (from \$27.5 million to \$29.5 million). Offsetting this adjustment is an action to decrease the Cardroom Tax budgeted estimate by \$2.0 million, from \$32.0 million to \$30.0 million. This action is recommended to align the 2023-2024 budgeted estimate with the 2022-2023 collection level. (\$0)

ANALYSIS

Impacts on the 2023-2024 General Fund Budget

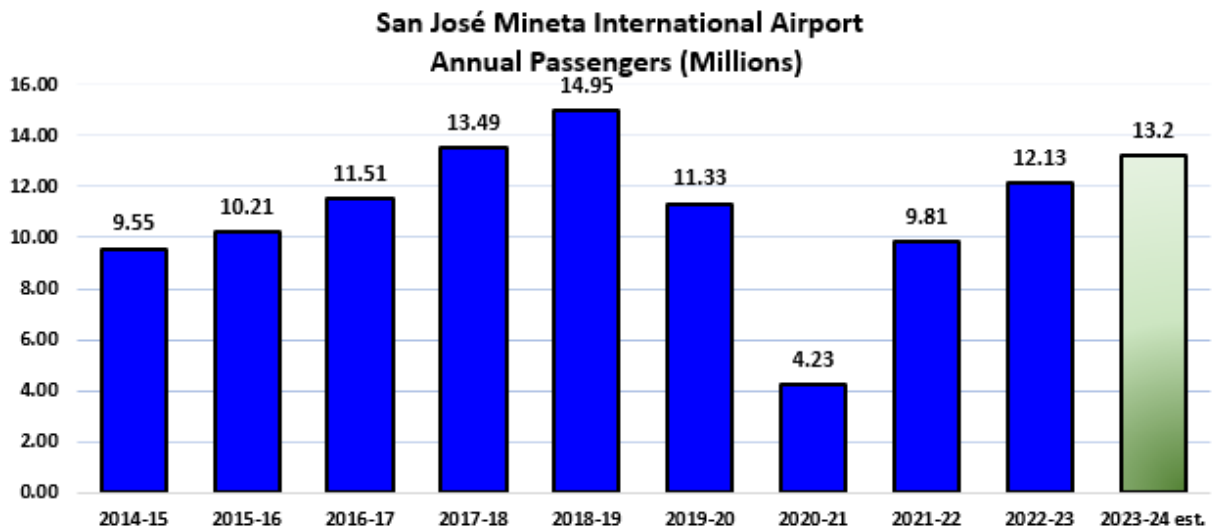
- ***Other Remaining Adjustments*** – Remaining actions include technical corrections or reallocations, and other smaller adjustments. Funding (\$500,000) is reallocated from the Measure E – Interim Housing Maintenance Reserve (15% HSP) to the Measure E – Interim Housing Maintenance (15% HSP) City-Wide Expenses appropriation to increase funding for the maintenance of interim housing sites; the revenue estimate for Transfers and Reimbursements is increased by \$100,000 – supplied by a transfer from the Ice Centre Revenue Fund and allocated to the Ice Centre Expansion Oversight Project appropriation to provide funding for the Public Works Department staff time required for plan review, inspection, and approval of reimbursement requests for the final projects related to the Ice Centre Expansion Project; and funding of \$50,000 is reallocated from the Storefront Activation Program to the Office of Economic Development and Cultural Affairs Non-Personal/Equipment appropriation to extend the Post Street Traffic Closure Pilot Program through June 30, 2024, as directed by the Rules and Open Government Committee at its August 30, 2023 meeting. Other notable minor actions increase departmental Non-Personal/Equipment funding for various activities, including: consulting services related to the County of Santa Clara request for proposal for ambulance transport services; additional contractual security services at the Civic Center; and, professional recruiting services to support an in-depth recruiting and marketing strategy for the vacant Independent Police Auditor position. (-\$181,000)
- **Grants/Reimbursements/Fees (Net-Zero)**
 - A series of adjustments – net increase in revenues of \$3.0 million, offset by a net expenditure increase of \$3.0 million – are recommended to recognize new and updated revenues and expenditures for ***Grants, Reimbursements, and/or Fees***, primarily for the following Departments: Office of the City Manager (net-zero adjustments of \$643,000); Parks, Recreation and Neighborhood Services Department (net-zero adjustments of \$576,000); Police Department (net-zero adjustments of \$513,000); Office of Economic Development and Cultural Affairs (net-zero adjustments of -\$488,000); Environmental Services Department (net-zero adjustments of \$384,000); Library Department (net-zero adjustments of \$338,000); and Fire Department (net-zero adjustments of \$15,000). These adjustments are further described in *Section IV. Recommended Budget Adjustments and Clean-Up/Rebudget Actions*.

ANALYSIS

2022-2023 Selected Special/Capital Funds Budget Performance

Airport Operating Funds

The Airport served 12.1 million passengers in 2022-2023, which was an increase of 23.6% from 2021-2022. Passenger traffic was strong in 2022-2023; monthly passenger volumes held steady at or over one million passengers eight months out of twelve. Passenger levels are expected to continue to recover gradually over the next several years. For 2023-2024, projections reflect an approximately 9% increase from 2022-2023 levels, or 13.2 million passengers.



All airport activity categories experienced increases from 2021-2022, including traffic operations, landed weights, gallons of aviation fuel sold, mail/freight/cargo pounds, and ground transportation trips. Overall, revenue performance exceeded the budgeted estimate by \$18.3 million (8.8%). Airline Rates and Charges (combined total of landing fees and terminal rents) and all other operating categories, excluding transfers and grant funding, ended the year at \$197.3 million, which was \$18.6 million (10.4%) above the budgeted estimate of \$178.7 million. The positive variance is distributed across Parking and Roadway, Terminal Concessions, General Aviation/Miscellaneous, and Airfield revenues, slightly offset by Terminal Rentals, Landing Fees, and Petroleum, which all finished the year slightly below the budget.

ANALYSIS

2022-2023 Selected Special/Capital Funds Budget Performance

Airport Operating Funds

The Airport Customer Facility and Transportation Fee Fund had year-end expenditure savings of \$468,000 (4.0%) and Airport Maintenance and Operation Fund had a year-end expenditure savings of \$36.7 million (23.6%) compared to budgeted levels of \$155.8 million. The savings were primarily from the variance of over-estimating the share of net remaining revenue that, by agreement, would need to be returned to the airlines (\$24.9 million) – which are conservatively estimated to avoid a year-end transfer that could potentially result in an exceeded appropriation – along with contractual services savings for custodial, shuttle bus and parking operations, and baggage handling system maintenance from reduced service levels that continue to restore as passenger levels increase (\$5.7 million), and personal services savings (\$2.5 million).

San José Clean Energy Fund

The San José Clean Energy Fund, managed by the Community Energy Department, facilitates the delivery of the San José Clean Energy (SJCE) program, which provides residents and businesses of San José with cleaner energy options than PG&E and access to energy efficiency community programs. Total Energy Sales ended the year at \$516.6 million, which is consistent with the modified budgeted estimate of \$516.5 million, and up 45.3% from prior year levels of \$355.5 million. Cost of Energy expenditures including encumbrances ended the year just 1.6% below the modified budget of \$390.4 million, at \$384.0 million.

In December 2022, City Council approved SJCE’s rate package for 2023 and its shift to a new cost-of-service rate setting model in place of setting rates at a fixed discount or premium to PG&E’s standard generation rates, inclusive of PG&E’s added fees. SJCE’s new rates began on January 1, 2023, and are 1-3% below PG&E rates, inclusive of the Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge, depending on customer class and usage. City Council approval also included the establishment of SJCE’s Financial Reserves Policy, which sets a goal to build and maintain at least 180 days of operating reserves to achieve financial resiliency and rate stability. Though still below the 180-day threshold of approximately \$240 million, the position of the SJCE Fund has improved, with a 2023-2024 estimated year-end reserve level of \$136.0 million.

PG&E’s PCIA fees are highly volatile and are a significant factor when setting SJCE rates each year. Lower PCIA fees combined with high market energy prices created a favorable environment for SJCE in 2022-2023, which is a marked improvement from the prior year when SJCE’s financials projected a cash flow shortage for which City Council authorized Commercial Paper Note issuance of up to \$95.0 million. SJCE drew a total of \$60.0 million of Commercial Paper notes in 2020-2021 and 2021-2022, combined, and paid back \$40.0 million in 2022-2023. The remaining \$20.0 million of Commercial Paper notes are anticipated to be paid off in 2023-2024.

ANALYSIS

2022-2023 Selected Special/Capital Funds Budget Performance

Capital Fund Major Revenues

A number of taxes and fees levied on construction and property resale (conveyance) activity provide a large source of revenue to the City’s Capital program. The 2022-2023 actual collections in these capital revenue categories ended the year below, or at best slightly above, budgeted estimates. The chart below provides a comparison of estimated revenues to actual revenues, and a discussion of the three largest revenue sources follows.

**Construction-Related Capital Program Revenues Comparison
 (\$ in Thousands)**

	2022-2023 Estimate*	2022-2023 Actuals	% Variance
Construction and Conveyance Tax	\$40,000	\$37,850	(8%)
Building and Structure Construction Tax	\$19,000	\$16,385	(14%)
Construction Excise Tax	\$14,000	\$10,882	(22%)
Municipal Water System Fees	\$75	\$82	10%
Residential Construction Tax	\$200	\$204	2%
Sanitary Sewer Connection Fee	\$500	\$508	2%
Storm Drainage Connection Fee	\$200	\$135	(32%)

* Revenue estimate used in the development of the 2023-2024 Adopted Capital Budget.

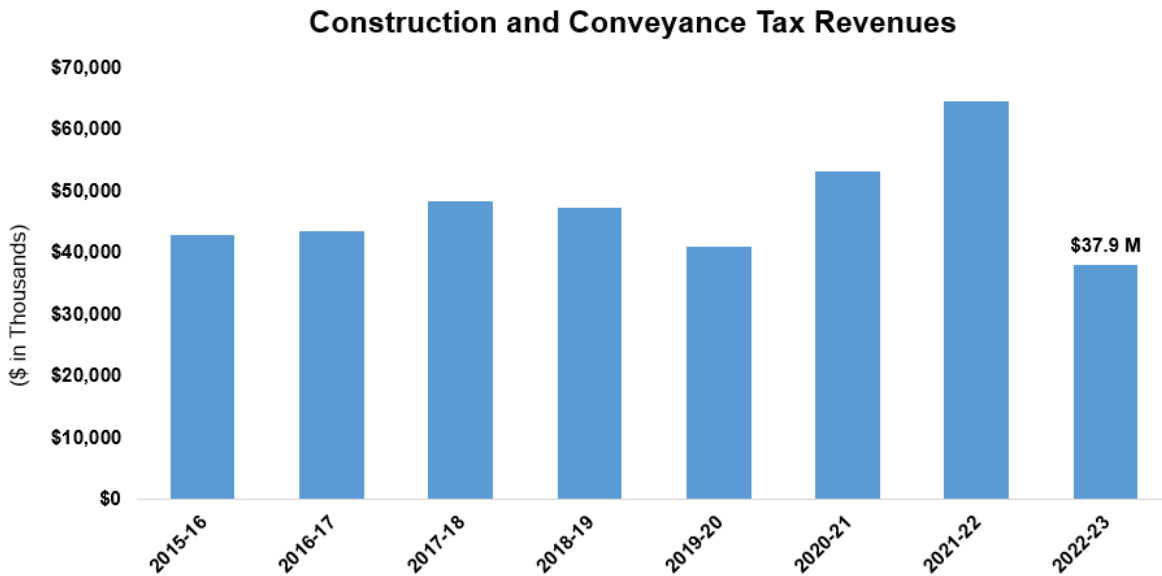
• **Construction and Conveyance Tax**

Real estate activity (primarily housing re-sales) determines the collection level of one of the major capital revenue sources, the Construction and Conveyance (C&C) Tax. Approximately 99% of C&C Tax is derived from a tax imposed upon each transfer of real property, with the remaining 1% generated from a construction tax levied on most types of construction. C&C Tax revenues, which are a significant source of funds for the Parks and Community Facilities Development, Library, Fire, Service Yards, and Communications capital programs, totaled \$37.9 million in 2022-2023. This collection level was \$2.1 million below the estimated collection level of \$40.0 million, and \$26.6 million (41.3%) lower than the historically high 2021-2022 receipts of \$64.5 million. In 2023-2024, C&C Tax revenue is budgeted at \$40.0 million, which would require a growth of \$2.1 million (5.7%) from the actual 2022-2023 collection level. Due to the volatile nature of the C&C Tax, actual receipts will be closely monitored in the first half of 2023-2024. The following graph displays the history of C&C Tax receipts.

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2022-2023 Selected Special/Capital Funds Budget Performance

Capital Fund Major Revenues



- **Building and Structure Construction Tax and the Construction Excise Tax**

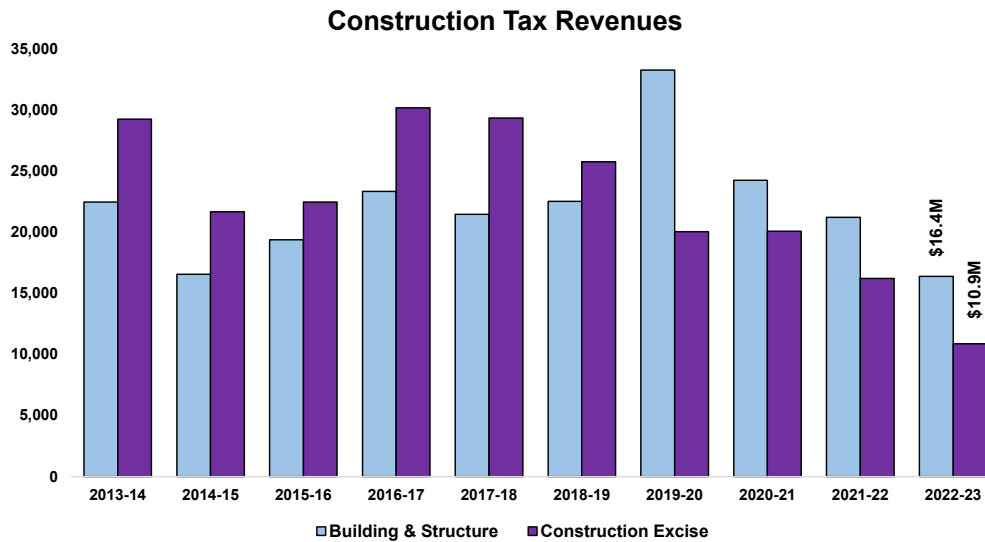
The Building and Structure Construction Tax and the Construction Excise Tax are major sources of funding for the Traffic Capital Program. Year-end collections in the Building and Structure Construction Tax category totaled \$16.4 million in 2022-2023. This collection level was 13.8% (\$2.6 million) below the Modified Budget estimate of \$19.0 million that was used to develop the 2023-2024 Adopted Capital Budget; furthermore, the collection level was \$4.8 million less than \$21.2 million received in 2021-2022. Construction Excise Tax receipts for 2022-2023 totaled \$10.9 million: 22.3% (\$3.1 million) below the Modified Budget estimate of \$14.0 million, 27.3% (\$4.1 million) below the \$15.0 million estimate used to develop the 2023-2024 Adopted Capital Budget, and 32.9% (\$5.3 million) below 2021-2022 collections of \$16.2 million.

The graph below displays the collection history of both the Building and Structure Construction Tax and Construction Excise Tax receipts. Tax collections track closely to valuation activity, and building project valuations have dropped each year over the last three years since nearly reaching historically high levels in 2019-2020. The status of these volatile taxes will be closely monitored throughout 2023-2024 to determine if future budget actions are necessary to revise the revenue estimates.

ANALYSIS

2022-2023 Selected Special/Capital Funds Budget Performance

Capital Fund Major Revenues



Special and Capital Funds Budget Adjustments

A number of budget adjustments for both special and capital funds are included in this report, including recognition of grants, net-zero transfers/reallocations, new allocations for a small number of high priority projects and programs, and required fund rebalancing activity. Highlights of significant actions within these funds are described below.

Several actions are included within Housing Funds to continue the City’s support of affordable housing projects and reduce homelessness. In the Inclusionary Fee Fund, a reallocation of \$10.0 million from the Missing Middle Affordable Housing Reserve to the Housing Project Reserve is recommended. Previously set aside as directed by City Council’s approval of the Mayor’s March Budget Message for Fiscal Year 2019-2020 to be paired with the State’s Middle Income Program, which provides long-term financing for new construction of multi-family housing projects restricting units up to 120% of area median income. However, after investigation, the program is not feasible to implement without an ongoing or dedicated source of funding, and has elements that conflict with the City’s bond policies. Of this amount \$6.5 million is allocated to the Housing Projects Reserve to support the upcoming affordable housing NOFA, with the remaining \$3.5 million allocated to the Committed Projects Reserve to support affordable housing developments in the pipeline. In the Low and Moderate Income Housing Asset Fund, a total amount of \$23.2 million is recommended to be set aside within the Housing Projects Reserve for the upcoming NOFA and to address any potential justified cost overruns for affordable housing projects currently in the pipeline, generated from \$13.0 million of savings and liquidation of prior year carry-over encumbrances in 2022-2023, and \$10.2 million reallocated from the Housing Loans and Grants

ANALYSIS

2022-2023 Selected Special/Capital Funds Budget Performance

Special and Capital Funds Budget Adjustments

appropriation related to a prior-year affordable housing project no longer moving forward (Algarve Development). Anticipated for release by the end of October, the NOFA will provide a more comprehensive inventory of funding sources, including other Housing Funds and resources from Measure E. Finally, in the Multi-Source Housing Fund, \$2.6 million of eligible fund balance is recommended to increase the Homeless Rapid Rehousing appropriation from \$4.7 million to \$7.3 million.

In the TOT Fund, actual 2022-2023 TOT revenues of \$22.35 million ended slightly below (\$149,000, or 0.7%) the Modified Budget estimate of \$22.5 million, resulting in minor reconciling decreases in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund to support convention facilities operations (Transfer to the Convention and Cultural Affairs Fund), the San José Convention and Visitors Bureau, and Cultural Grants. However, a net increase of \$526,000 to the Cultural Grants Reserve is recommended, from \$2.5 million to \$3.0 million, inclusive of the proportional reduction of TOT revenue and savings from the Cultural Grants and Cultural Grants Administration appropriations. The Cultural Grants Reserve was re-established as part of the 2022-2023 Year-End Budget Adjustments and factored into the development of the 2023-2024 Adopted Budget by recognizing higher projected TOT revenues (\$6.0 million) for 2022-2023, given revenue performance through most of the fiscal year. This set aside is intended to serve as a buffer against future revenue fluctuations, enabling greater consistency for arts and cultural funding.

In the Airport Capital Program, actions are included to reduce the Airfield Configuration Updates project by a net of \$10.7 million to account for a reduction of \$16.0 million in the Airport Capital Improvement Fund (from \$32.6 million to \$16.6 million) to reflect the actual grant award from the Federal Aviation Administration for a portion of the Taxiway V project, and an increase of \$5.3 million in the Airport Renewal and Replacement Fund (from \$8.5 million to \$13.8 million) to support the continuation of Phases 1B and 1C, as well as expenses for related soil remediation, in 2023-2024. The City will reapply for grant funding in a future cycle and will adjust the timing of the project's completion to align with grant availability.

In the Parks and Community Facilities Development Capital Program, adjustments are recommended in various funds. The most significant adjustments include the establishment of the TRAIL: Coyote Creek Design (Roosevelt Park to Watson Park) project in the Subdivision Park Trust Fund in the amount of \$850,000, of which \$765,00 will be reimbursed by Valley Transportation Authority (VTA) Measure B funds; and the establishment of the Happy Hollow Park and Zoo Fire Panel Replacement project in the Parks City-Wide C&C Tax Fund for the necessary replacement of fire alarms and panels at Happy Hollow Park and Zoo.

ANALYSIS

2022-2023 Selected Special/Capital Funds Budget Performance

Special and Capital Funds Budget Adjustments

In the Public Safety Capital Program, actions are included to increase the Measure T – Program Reserve (Public Safety) by \$4.5 million (from \$5.3 million to \$9.8 million) in the Public Safety Infrastructure Bond Fund, capturing unallocated interest earnings from Measure T bond proceeds that can be set aside to address likely cost escalations related to the various Public Safety Measure T construction contracts are that anticipated to be awarded in 2023-2024. A full status report on the Measure T Program is scheduled for the City Council meeting on October 17, 2023.

In the Traffic Capital Program, pedestrian safety-related adjustments include allocating funding of \$1.0 million to the Vision Zero: Data Analytics Tool project in the Construction Excise Tax Fund (offset by a reduction to the Safety Program Reserve) to enhance and maintain a machine learning Vision Zero Data Analytic platform integrating more than 50 data pipelines and leveraging artificial intelligence functionalities to understand the relationship between the built environment and traffic fatalities, and support investment prioritization and decision-making. Another key pedestrian safety action in the Construction Excise Tax Fund is the reallocation of \$800,000 of VTA Measure B funding to establish the VTA Measure B 2016 Complete Street Project Improvements (Safe Routes to School) project to begin implementation of the School Safety Traffic Program. As described in Manager’s Budget Addendum #38, *Safe Routes to Schools*⁴, the Administration anticipated returning to the City Council early in 2023-2024 to allocate recently increased funding levels within the VTA Measure B program to initiate the first year of a multi-year project of assessing and implementing safety projects near San José schools. The recommended allocation in this report supports initial assessment work, as well as temporary engineering staffing that will be considered for permanent continuation as part of the 2024-2025 budget development process.

Finally, the rebudget of unexpended funds for projects and programs extending into 2023-2024 is recommended in this report. Details of these adjustments can be found in Section IV of this report.

⁴ <https://www.sanjoseca.gov/home/showpublisheddocument/98836/638211478066670000>

ANALYSIS

Updates on Direction from City Council's Approval of the June Budget Message for 2023-2024

Included in their action to approve the Mayor's June Budget Message for Fiscal Year 2023-2024, the City Council approved a memorandum from Councilmembers Davis, Torres, Ortiz, Batra, and Doan that directed the Administration to evaluate the following items for funding with resources from the Community Development Block Grant (CDBG) Fund or the General Fund Ending Fund Balance if not CDBG eligible, and return to the City Council with other any other potential funding opportunities: Hoffman Via Monte Safety Lighting (\$930,000); assisting the Vietnamese Heritage Community Garden by updating the master plan and conducting a funding feasibility study (\$450,000), development of a cultural district plan for the Alum Rock Arts District (\$100,000), and repairs to the African American Community Service Agency repairs (\$85,000).

After additional analysis, staff has concluded that the Hoffman Via Monte Safety Lighting project is eligible for CDBG funding as the location is within a CDBG low-income census tract and the funds would be spent to construct new or upgraded assets of community-wide benefit. Initial environmental clearance work is underway and is expected to occur over the next two years. No budget action is needed at this time, as any project costs can be charged to existing CDBG expenditure appropriations.

The other projects are not CDBG eligible. The requested expenditure for the Vietnamese Heritage Community Garden and Alum Rock Arts District do not result in physical infrastructure improvements. While the requested expenditure for the African American Community Service Agency would incur construction costs, the scope of work is classified as maintenance activity to existing assets that replaces like-for-like and does not result in substantively new or upgraded facility. As the remaining General Fund ending fund balance is fully spent based on prior City Council policy direction (including the \$15.0 million to reduce unsheltered homelessness), the Administration recommends that the City Council consider the prioritization of these items during the 2024-2025 budget development process.

NEXT STEPS

The results of the 2022-2023 Annual Report will provide an updated starting point for monitoring 2023-2024 financial performance, with actual revenue and expenditure trends factored into the analysis of the General Fund and numerous special and capital funds. Information on the City's budget for 2023-2024 will be provided in the Bi-Monthly Financial Reports that are heard at the PSFSS Committee and the 2023-2024 Mid-Year Budget Review.

The 2022-2023 Annual Report results will also be factored into the 2024-2025 budget development process. The General Fund Five-Year Forecast is scheduled to be released in late February 2024. The 2024-2025 Proposed Capital and Operating Budgets are scheduled to be released by May 1, 2024.

COORDINATION

The City Manager's Budget Office coordinated with the Finance Department on the reconciliation of the City's funds and coordinated with all City Departments and City Council Appointees, as applicable, on recommended budget adjustments that are brought forward in this document.

PUBLIC OUTREACH

This document will be posted on the City's Council Agenda website for the October 17, 2023, City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approval of any City actions, and File No. PP17-004, Government Funding Mechanism of Fiscal Activity with no commitment to a specific project which may result in a potentially physical impact on the environment.

PUBLIC SUBSIDY REPORTING

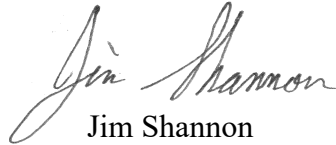
This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

CONCLUSION

Through careful fiscal management, overall revenues for the various City funds ended the year close to estimated levels and expenditures were below budgeted allocations. The 2022-2023 Adopted Budget was approved within the context of a meaningfully improved budgetary position when compared to the pandemic years, which aligned with actual revenue and expenditure performance, as well as associated economic indicators. As a result of rigorous forecasting, monitoring, and management throughout all City funds, 2022-2023 revenues and expenditures ended the year very close to budgeted expectations. In the General Fund, the additional fund balance at the end of 2022-2023, after considering clean-up/rebudget actions, totaled \$18.6 million (0.5% of the Modified Budget for revenues and expenditures). Along with a number of net-zero adjustments related to grants, reimbursements and fees, recommendations are included in this report to fully allocate these funds to meet prior City Council direction.

CONCLUSION

The Administration will continue to monitor and report on the City's budget performance through the Bi-Monthly Financial Reports and the Mid-Year Budget Review. The financial results of 2022-2023, as well as the actual performance in 2023-2024, will be factored into the development of the 2024-2025 budget. The 2025-2029 General Fund Five-Year Forecast will be released at the end of February 2024 for budget planning purposes.

A handwritten signature in black ink that reads "Jim Shannon". The signature is written in a cursive style with a large, sweeping initial "J".

Jim Shannon
Budget Director

CERTIFICATION OF FUNDS

I hereby certify that there will be available for appropriation in the designated funds and in the amounts as listed below in fiscal year 2023-2024 monies in excess of those heretofore appropriated therefrom:

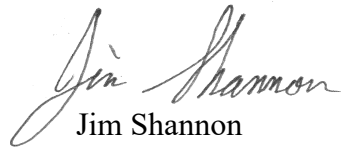
General Fund	\$30,075,362
Airport Customer Facility and Transportation Fee Fund	\$1,333,220
Airport Passenger Facility Charge Fund	\$2,205,818
Airport Renewal and Replacement Fund	\$5,374,994
Airport Surplus Revenue Fund	\$86,761
American Rescue Plan Fund	\$2,244,132
Benefits Funds - Dental Insurance Fund	\$1,007,614
Benefits Funds - Life Insurance Fund	\$19,519
Benefits Funds - Unemployment Insurance Fund	\$29,130
Branch Libraries Bond Projects Fund	\$537,974
Building and Structure Construction Tax Fund	\$9,498,829
Building Development Fee Program Fund	\$4,166,981
Business Improvement District Fund	\$840,844
Cash Reserve Fund	\$38
City Hall Debt Service Fund	\$223,091
Community Facilities District Fund #8	\$69,434
Community Facilities District Fund #11	\$47,032
Community Facilities District Fund #14	\$17,546
Community Facilities District Fund #15	\$12,343
Community Facilities Revenue Fund	\$2,675
Construction and Conveyance Tax - Communications	\$476,746
Construction and Conveyance Tax - Council District 1	\$138,197
Construction and Conveyance Tax - Council District 2	\$141,525
Construction and Conveyance Tax - Council District 3	\$361,403
Construction and Conveyance Tax - Council District 4	\$1,452,199
Construction and Conveyance Tax - Council District 5	\$481,341
Construction and Conveyance Tax - Council District 6	\$243,144
Construction and Conveyance Tax - Council District 7	\$686,345
Construction and Conveyance Tax - Council District 8	\$406,593
Construction and Conveyance Tax - Council District 9	\$82,704
Construction and Conveyance Tax - Council District 10	\$100,738
Construction and Conveyance Tax - Fire	\$716,315
Construction and Conveyance Tax - Library	\$266,659
Construction and Conveyance Tax - Parks Central	\$3,656,371
Construction and Conveyance Tax - Parks City-Wide	\$4,528,656

CERTIFICATION OF FUNDS

Construction and Conveyance Tax - Parks Yards	\$138,333
Construction and Conveyance Tax - Service Yards	\$122,935
Construction Excise Tax Fund	\$27,025,993
Contingent Lien District Fund	\$263,519
Convention and Cultural Affairs Capital Fund	\$142,890
Convention and Cultural Affairs Fund	\$1,427,577
Convention Center Facility District Capital Fund	\$14,411
Coronavirus Relief Fund	\$29,622
Economic Development Administration Loan Fund	\$37
Emergency Reserve Fund	\$2,670,699
Emma Prusch Fund	\$186,896
Federal Drug Forfeiture Fund	\$419,026
Fire Development Fee Program Fund	\$51,465
General Purpose Parking Capital Fund	\$11,643,107
General Purpose Parking Fund	\$225,012
Gift Trust Fund	\$2,647,074
Home Investment Partnership Program Trust Fund	\$3,080,883
Homeless Housing, Assistance, and Prevention Fund	\$1,617,707
Ice Centre Revenue Fund	\$2,786,954
Integrated Waste Management Fund	\$454,818
Lake Cunningham Fund	\$253,027
Library Parcel Tax Capital Fund	\$233,278
Library Parcel Tax Fund	\$444,694
Low and Moderate Income Housing Asset Fund	\$58,326,845
Maintenance District Fund #5	\$4,274
Maintenance District Fund #8	\$13,045
Maintenance District Fund #9	\$30,925
Maintenance District Fund #13	\$8,745
Maintenance District Fund #19	\$6,136
Maintenance District Fund #20	\$14,949
Maintenance District Fund #22	\$14,520
Major Collectors and Arterials Fund	\$61,895
Major Facilities Fund	\$60,130
Measure T Public Safety and Infrastructure Bond Fund	\$23,210,762
Municipal Golf Course Fund	\$158,451
Planning Development Fee Program Fund	\$47,824
Public Works Development Fee Program Fund	\$2,175,175
Public Works Small Cell Permitting Fee Program Fund	\$166,327
Rental Stabilization Program Fee Fund	\$782,483

CERTIFICATION OF FUNDS

Residential Construction Tax Contribution Fund	\$373,808
San José Arena Capital Reserve Fund	\$2,472,464
San José-Santa Clara Treatment Plant Capital Fund	\$619,269
San José-Santa Clara Treatment Plant Income Fund	\$187,821
San José-Santa Clara Treatment Plant Operating Fund	\$1,431,766
Sanitary Sewer Connection Fee Fund	\$237,586
Sewer Service and Use Charge Capital Improvement Fund	\$22,271,746
Sewer Service and Use Charge Fund	\$2,463,162
South Bay Water Recycling Capital Fund	\$58,703
St. James Park Management District Fund	\$94,739
State Drug Forfeiture Fund	\$100,383
Storm Drainage Fee Fund	\$85,148
Storm Sewer Capital Fund	\$12,864,161
Storm Sewer Operating Fund	\$1,215,096
Subdivision Park Trust Fund	\$8,866,757
Supplemental Law Enforcement Services Fund	\$341,347
Transient Occupancy Tax Fund	\$450,106
Underground Utility Fund	\$3,033,929
Vehicle Maintenance and Operations Fund	\$967,738
Water Utility Capital Fund	\$807,830
Water Utility Fund	\$1,309,604


Jim Shannon
Budget Director

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DEFINITIONS

- **Actuals vs. Budget/Estimate** – This document includes analyses of department appropriations and funds based on variances between the 2022-2023 actual revenues/expenditures and either the 2022-2023 Modified Budget or 2022-2023 estimates.
 - "Actuals" represent unaudited year-end close figures as of June 30, 2023.
 - "Budget" reflects the original 2022-2023 Adopted Budget plus Council-approved modifications to the Appropriation Ordinance and Funding Sources Resolution. This number represents the year-end budget.
 - "Estimates" are revenue/expenditure projections based on information available prior to June 30, 2023. These estimates were used in projecting the year-end fund balance, and consequently, the 2023-2024 Adopted Budget beginning fund balance.
- **Budgetary Basis vs. GAAP** – The figures used throughout the text of this report are presented in accordance with the budget. The Financial Statements section of this report, however, has been prepared using reports which, in many cases, have been adjusted to report transactions in accordance with generally accepted accounting principles (GAAP). Major differences between the budgetary basis and GAAP basis include:
 - Year-end encumbrances are recognized as the equivalent of expenditures for budgetary purposes. Encumbrances are not recognized as expenditures on a GAAP basis until recorded as actual expenditures. As a result, the expenditures and encumbrances have been combined in the text for a budgetary basis presentation, while the Financial Statements section presents expenditures and encumbrances separately.
 - In Governmental Funds, an amount for the current year's compensated absences is not recognized on a budgetary basis since annual expenditures related to vacation, sick leave, and compensatory time are budgeted as part of departmental personal services.
 - Certain loan transactions and debt service payments are not recognized as expenditures on a GAAP basis since these payments represent a reduction of an existing debt obligation. For budgetary purposes, however, these payments represent a "use of funds" and are budgeted as such.
 - Under the GAAP basis, grant resources that are restricted to capital acquisition or construction in an enterprise fund are identified as contributions of capital and are not recorded as revenue. For budgetary purposes, grant funding, such as this, is recognized as a source of funds.
- **Glossary of Terms** – Definitions of frequently used budgetary and accounting terms are presented on the next page.

GLOSSARY OF TERMS

Appropriation

The legal authorization granted by the City Council to the Administration to make expenditures and incur obligations for purposes specified in the Appropriation Ordinance.

Base Budget

Ongoing expense level necessary to maintain service levels previously authorized by the City Council.

Capital Budget

A financial plan of capital projects and the means of financing them for a given period of time.

Capital Funds

These funds account for resources designated to acquire, rehabilitate, or construct general fixed assets and major improvements.

Capital Improvement Program (Five-Year)

A plan, separate from the annual budget, which identifies all capital projects to be undertaken during a five-year period, along with cost estimates, method of financing, and a recommended schedule for completion.

Carryover

Unspent funds, either encumbered, reserved, or unobligated, brought forward from prior fiscal years.

Contingency Reserve

An appropriation of funds to cover unforeseen events that occur during the budget year, such as emergencies, newly-required programs, shortfalls in revenue, or other eventualities.

Contractual Services

Operating expenditures for services provided by outside organizations and businesses, including maintenance contracts, management services, etc.

Debt Service

The amount required to pay interest on and to retire the principal of outstanding debt.

Encumbrance

Financial obligations such as purchase orders, contracts, or commitments which are chargeable to an appropriation and for which a portion of the appropriation is reserved.

Fiscal Year

A 12-month accounting period to which the annual budget applies; for San José, it is the period from July 1 through June 30.

Fund

An independent fiscal and accounting entity used to account for all financial transactions related to the specific purpose for which the fund was created by ordinance.

Fund Balance

The difference between total revenue sources and total expenditures in a fund. The fund balance is calculated at the end of the fiscal year.

General Fund

The primary operating fund used to account for all the revenues and expenditures of the City that are not related to special or capital funds.

Non-Personal/Equipment Expenses

Operating costs that are not related to personnel, such as supplies, training, contractual services, utilities, and vehicles.

Operating Budget

A financial plan for the provision of direct services and support functions.

Personal Services

Salary and fringe benefit costs of City employees.

Rebudget

Unspent and unencumbered prior year funds reauthorized for the same purpose as previously approved, usually as a result of delayed program implementation.

Reserve

Funds budgeted for a particular purpose but not authorized for immediate obligation.

Special Funds

These funds account for revenues derived from specific taxes or other earmarked revenue sources and are usually required by statute, charter provision, local ordinance, or federal grant regulation to finance particular functions of the City.

Transfers

Transfers between funds to account for reimbursements for services, overhead expenses, or other payments.

FUND DESCRIPTIONS

Affordable Housing Impact Fee Fund

This Special Revenue Fund accounts for funding related to the Affordable Housing Impact Fee for the development of new market rate residential rental units.

Airport Capital Funds

These Enterprise Funds account for the Airport's capital expenditures and revenues and consist of the following: Airport Capital Improvement Fund; Airport Revenue Bond Improvement Fund; Airport Renewal and Replacement Fund; and Airport Passenger Facility Charge Fund.

Airport Operating Funds

These Enterprise Funds account for the operation of the Airport and consist of the following: Airport Revenue Fund; Airport Maintenance and Operation Fund; Airport Surplus Revenue Fund; Airport Customer Facility and Transportation Fee Fund; and the Airport Fiscal Agent Fund.

American Rescue Plan Fund

This Special Revenue Fund accounts for funding authorized by the federal American Rescue Plan (ARP) Act.

Benefit Funds

These Internal Service Funds account for the provision and financing of benefits to City employees, retirees, and their dependents. It consists of the Dental Insurance Fund, Life Insurance Fund, Unemployment Insurance Fund, and Benefit Fund.

Branch Libraries Bond Projects Fund

This Capital Fund accounts for General Obligation Bond proceeds approved by voters on the November 2000 ballot (Measure O). The use of this fund is restricted to the acquisition of property and the expansion and construction of branch libraries.

Building Development Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for enforcing building and structures are erected, constructed, enlarged, altered, or repaired in accordance to the City's building, residential, mechanical, plumbing, and electrical codes.

Building and Structure Construction Tax Fund

This Capital Fund accounts for the tax on residential, commercial, and industrial development. The use of these funds, along with grant revenues, is restricted to traffic capital improvements on major arterials and collectors, including bridges, culverts, lighting, and traffic control systems.

Building Homes and Jobs Act Fund

This Special Revenue Fund accounts for housing-related projects and programs that assist in addressing the unmet housing needs of the local communities.

Business Improvement District Fund

This Special Revenue Fund accounts for assessments involving Business Improvement District activities.

Cash Reserve Fund

In the City's Comprehensive Annual Financial Report, this fund is grouped with the City's General Fund. This accounts for the payment of authorized expenditures for any fiscal year in anticipation of and before the collection of taxes and other revenues, and for payment of authorized expenses for any fiscal year that must be paid prior to the receipt of tax payments and other revenues.

FUND DESCRIPTIONS

City Hall Debt Service Fund

This Special Revenue Fund accounts for the debt service payments for City Hall and the City Hall off-site parking garage. This fund receives transfers from the General Fund, special funds, and capital funds in amounts sufficient to cover the debt service payments.

Citywide Planning Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for activities related to maintain an updated General Plan, zoning code, and other citywide plans and policies to allow development and new construction to occur consistent with the City's development policy and community objectives.

Community Development Block Grant Fund

This Special Revenue Fund accounts for federal grant monies received from the U.S. Department of Housing and Urban Development under Title II Housing and Community Development Act of 1974 and Rental Rehabilitation Program funds.

Community Facilities and Maintenance Assessment District Funds

These Special Revenue Funds account for the maintenance and administration of assessment districts throughout the City.

Community Facilities Revenue Fund

This Special Revenue Fund accounts for the rental revenues received from Hayes Mansion operations and provides for the accumulation and transfer of base rental income to the appropriate debt service funds for repayment of facilities-related debts.

Construction and Conveyance Tax Funds

These Capital Funds account for Construction and Conveyance tax receipts. The Construction Tax is a flat rate assessed to residential, commercial, and industrial development. The

Conveyance Tax is a fee imposed at a rate of \$3.30 for each \$1,000 of the value of property conveyed. Construction and Conveyance Tax Funds are dedicated to the Parks and Community Facilities Development, Communications, Public Safety (for Fire capital purposes), Library, and Service Yards Capital Programs.

Construction Excise Tax Fund

This Capital Fund accounts for the tax on the construction of residential, commercial, and mobile home developments (also referred to as the Commercial, Residential, Mobile Home Park Building Tax). This general purpose tax is based on building valuation, with the majority of the revenues in the fund historically being used for traffic improvements.

Contingent Lien District Fund

This Capital Fund accounts for cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The use of this fund is restricted to completing any unconstructed improvements specified in the engineer's report as approved by the City Council.

Convention and Cultural Affairs Capital Fund

This Capital Fund accounts for transfers received from the Convention Center and Cultural Affairs Fund for the use of capital improvements and repairs to the McEnery Convention Center and other City owned Cultural Facilities.

Convention and Cultural Affairs Fund

This Special Revenue Fund accounts for the costs of managing and operating the San José McEnery Convention Center, California Theatre, Center for the Performing Arts (CPA), Civic Auditorium, Montgomery Theatre, Parkside Hall, South Hall, and their related facilities and grounds.

FUND DESCRIPTIONS

Convention Center Facilities District Capital Fund

This Capital Fund, supported by transfers from the Convention Center Facilities District Revenue Fund, accounts for capital rehabilitation and improvements to the San Jose McEnery Convention Center.

Convention Center Facilities District Project Fund

This Special Revenue Fund accounts for the bond proceeds and construction costs related to the expansion and renovation of the San José McEnery Convention Center.

Convention Center Facilities District Revenue Fund

This Special Revenue Fund accounts for Special Tax revenues collected by the City on behalf of the Convention Center Facilities District No. 2008-1.

Coronavirus Relief Fund

The Coronavirus Relief Fund was created in accordance with the City Charter for the purpose of expending funds received pursuant to section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Funds support the City's response to the public health emergency posed by Coronavirus Disease 2019 (COVID-19), and must be expended in accordance with the provisions of CARES Act and guidelines promulgated by the federal government.

Downtown Property and Business Improvement District Fund

This Special Revenue Fund accounts for revenue collected and expenses related to maintaining and operating any public improvements, which are payable from annual assessments apportioned among the several lots of parcels or property within the Downtown area.

Economic Development Administration Loan Fund

This Special Revenue Fund accounts for federal funds and loan repayments associated with the economic development administration program, which provides loans to small businesses for business expansion, remodeling, working capital, equipment or other specified uses with the goal of generating additional employment opportunities as a result of such assistance to businesses within the City of San José.

Edward Byrne Memorial Justice Assistance Grant Trust Fund

This Special Revenue Fund accounts for the City's portion of funding from the U.S. Department of Justice through the County of Santa Clara as a fiscal agent. Funds are restricted to law enforcement, prevention and education programs, and planning, evaluation, and technology improvements for front line law enforcement.

Emergency Reserve Fund

This Special Revenue Fund accounts for reserves established from local revenues to meet public emergencies.

Emma Prusch Memorial Park Fund

This Capital Fund accounts for the development and improvement of the Emma Prusch Memorial Park.

Federal Drug Forfeiture Fund

This Special Revenue Fund accounts for federal drug forfeiture monies received pursuant to the drug abuse prevention and control provisions of Title 21, Chapter 13 of the United States Code. Federal guidelines for this fund stipulate that seizure monies be used for the financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities.

FUND DESCRIPTIONS

Fire Development Fee Program Fund

This Special Revenue Fund accounts for construction fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for activities related to fire safety plan reviews and inspections for construction projects.

Gas Tax Maintenance and Construction Funds

These Special Revenue Funds account for the City's portion of the State collected Gas Tax. Revenues are restricted for acquisition, construction, improvement, and maintenance of public streets subject to provisions of the Streets and Highways Code of the State of California and to provide for traffic capital improvements.

General Purpose Parking Capital Fund

This Capital Fund accounts for capital construction of certain parking facilities. The parking system provides parking to the general public. This Fund is supported by a transfer from the General Purpose Parking Fund.

General Purpose Parking Fund

This Enterprise Fund accounts for the operation of City parking lot facilities and parking meters.

Gift Trust Fund

This Special Revenue Fund accounts for revenues and expenditures related to gifts, donations, and bequests to the City.

Home Investment Partnership Program Trust Fund

This Special Revenue Fund accounts for all monies allocated to the City by the U.S. Department of Housing and Urban Development for affordable housing projects pursuant to the HOME Investment Partnership Act.

Homeless Housing Assistance, and Prevention Fund

This Special Revenue Fund accounts for all monies allocated to the City by the U.S. Department of Housing and Urban Development for affordable housing projects pursuant to the HOME Investment Partnership Act.

Housing Trust Fund

This Special Revenue Fund accounts for funding to assist non-profit service providers and organizations by providing one-time grants for housing-related projects.

Ice Centre Revenue Fund

This Special Revenue Fund accounts for the rental revenues received from Ice Centre operations and provides for the accumulation and transfer of base income to the appropriate debt service funds for repayment of facilities-related debts, as well as facility capital repair and renovation.

Ice Centre Expansion Bond Fund

This Capital Fund accounts for revenues and expenditures related to the expansion of Solar4America Ice Centre.

Improvement District Fund

This Capital Fund accounts for revenues and expenditures related to the acquisition and construction of a variety of public infrastructure projects for which individual improvement districts were formed.

Inclusionary Fee Fund

This Special Revenue Fund accounts for fees, related to the Mitigation Fee Act requirement, for the new program on new housing developments as approved by the City.

FUND DESCRIPTIONS

Integrated Waste Management Fund

This Special Revenue Fund accounts for activities related to the Integrated Waste Management Program, which includes garbage collection, recycling services, and related billing operations. The fund collects revenues from the City's Recycle Plus program. These funds are expended for programs related to the City's efforts to comply with State law requiring cities to reduce waste sent to landfills along with other integrated waste management services.

Lake Cunningham Fund

This Capital Fund accounts for the parking fees and lease payment revenues used for the purchase of equipment, maintenance, and operations at Lake Cunningham Park.

Library Parcel Tax Capital Fund

This Capital Fund supports Library Program capital improvements and is funded by a transfer from the Library Parcel Tax Fund revenue.

Library Parcel Tax Fund

This Special Revenue Fund accounts for annual parcel tax revenues used for enhancing the City's library services and facilities.

Low and Moderate Income Housing Asset Fund

This Special Revenue Fund accounts for housing assets and functions related to the Low and Moderate Income Housing Program retained by the City. This fund provides funding for the administrative costs associated with managing the Successor Housing Agency assets and the continuation of affordable housing programs in the future.

Major Collectors and Arterial Fund

This Capital Fund accounts for the collection of monies owed by developers for previously completed street improvements.

Major Facilities Fund

This Capital Fund accounts for fees associated with the connection of municipal water activities for many water facilities constructed in the North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas. These fees are assessed for the future construction of large water mains, reservoirs, and other large projects.

Multi-Source Housing Fund

This Special Revenue Fund accounts for grants, inclusionary fees, and rental dispute mediation fees to support the rental rights and referrals program, to expand the supply of affordable housing for low and very-low income residents by providing both financial and technical assistance to non-profit organizations in the production and operation of affordable housing, and to preserve the existing supply of affordable housing by providing rehabilitation grants and loans to low and moderate income homeowners.

Municipal Golf Course Fund

This Special Revenue Fund accounts for the construction, management, and operation of various City golf courses, including the San José Municipal Golf Course, Los Lagos Golf Course, and Rancho del Pueblo Golf Course.

Neighborhood Security Act Bond Fund

This Capital Fund accounts for General Obligation Bond proceeds authorized by voters on the March 2002 ballot (Measure O). This fund is dedicated for the acquisition of real property and construction and rehabilitation of public safety-related facilities.

Parks and Recreation Bond Projects Fund

This Capital Fund accounts for General Obligation Bond proceeds approved by voters on the November 2000 ballot (Measure P). The use of this fund is restricted to acquisition of property, upgrades, and construction of neighborhood parks, community centers, trails, regional parks, and sports complexes.

FUND DESCRIPTIONS

Planning Development Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and projects in the City. The use of this fund is restricted to provide for enforcing important economic, social, environmental, or planning goals of the city, public improvements, facilities, or services from which the public will benefit.

Public Safety and Infrastructure Bond Fund

This Capital Fund accounts for General Obligation Bond proceeds authorized by voters on the November 2018 ballot (Measure T). The use of this fund is for acquisition of property or construction related to improvements in public safety and disaster preparedness. A portion of the fund will be used to pave streets and repair potholes.

Public Works Development Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for planning application revenue, plan revenue and inspection of public improvements, review of subdivision maps, grading permits, and revocable encroachment permits.

Public Works Program Support Fund

This Internal Service Fund accounts for Public Works administrative costs, compensated absences, unfunded activities, and non-personal costs. An annual cost allocation plan is utilized to equitably allocate these costs to capital programs on the basis of service levels received as compensated time-off is earned rather than charging the costs when the time-off is taken. Various capital projects are charged a rate for each hour Public Works' staff spends on the project and corresponding revenue is received by this fund.

Public Works Small Cell Permitting Fee Program Fund

This Special Revenue Fund accounts for fees collected from telecommunication companies to install small cells and fiber on city's property, such as streetlights, traffic lights, and rooftops. The use of this fund is restricted to provide for the permitting and inspection of small cell installations and fiber optic permitting as well as field services.

Rental Stabilization Program Fee Fund

This Special Revenue Fund accounts for fees, collected in accordance with the Mitigation Fee Act requirements, associated with implementing the Apartment Rent Ordinance, Tenant Protection Ordinance, Ellis Act Ordinance, and Mobilehome Ordinance programs.

Residential Construction Tax Contribution Fund

This Capital Fund accounts for taxes imposed upon the construction of single-family dwelling units or any mobile home lots in the City. The tax is used to reimburse developers who have constructed that portion of an arterial street that is wider than what is normally required in connection with residential development. The funds are also used to construct median island landscaping and other street improvements.

Retirement Funds

These Trustee Funds account for the accumulation of resources to be used for retirement annuity payments and consist of the following: Federated Retiree Health Care Trust Fund; Federated Retirement Fund; Fire Retiree Health Care Trust Fund; Police Retiree Health Care Trust Fund; and Police and Fire Retirement Fund.

FUND DESCRIPTIONS

San José Arena Capital Reserve Fund

This Capital Fund provides funding for repairs and replacements of capital items at the San José Arena, including fixtures, machinery, and equipment. The fund receives revenues from San José Arena Management, the ownership group of the San Jose Sharks, and a General Fund contribution supported by revenue generated from the Arena. The amount of funding and the eligible capital repair items are specified by agreement between the City of San José and the San José Arena Management.

San José Clean Energy Operating Fund

This Enterprise Fund accounts for revenues from the sale of electricity and the costs of the San José Clean Energy Program.

San José Municipal Stadium Capital Fund

This Special Revenue Fund accounts for revenues received pursuant to an agreement with the Baseball Acquisition Company for the use, operation, and management of the Municipal Stadium.

San José-Santa Clara Treatment Plant Capital Fund

This Capital Fund accounts for the construction of improvements to the San José/Santa Clara Water Pollution Control Plant (WPCP), and the purchase of equipment through contributions from the City of Santa Clara and other tributary agencies and transfers from the Sewer Service and Use Charge Operating Fund.

San José-Santa Clara Treatment Plant Income Fund

This Enterprise Fund accounts for revenues and expenditures not related to the day-to-day operation and maintenance of the WPCP. It contains the City's share of revenue from activities such as land rentals, legal settlements, and purchase of land located at the WPCP.

San José-Santa Clara Treatment Plant Operating Fund

This Enterprise Fund accounts for the revenues and expenditures required for day-to-day operation and maintenance of the WPCP.

Sanitary Sewer Connection Fee Fund

This Capital Fund accounts for connection fees charged to developers for access to the City's sanitary sewer system. Funds are restricted to the construction and reconstruction of the sewer system.

Sewage Treatment Plant Connection Fee Fund

This Enterprise Fund accounts for revenues from new residential, commercial, and industrial connections to the WPCP. These revenues pay the City's share of acquisition, construction, reconstruction or enlargement of the WPCP.

Sewer Service and Use Charge Capital Improvement Fund

This Capital Fund accounts for the reconstruction of the sanitary sewer system and is funded primarily by annual transfers from the Sewer Service and Use Charge Fund.

Sewer Service and Use Charge Fund

This Enterprise Fund accounts for Sewer Service and Use Charge fees collected from San José property owners to be used for financing, construction, and operation of the City's sewage collection system, and the City's share of the WPCP.

South Bay Water Recycling Capital Fund

This Capital Fund accounts for the acquisition, construction, and installation of recycled water system capital improvements related to the utility's hydraulic capacity and reliability. Funding is derived from revenue generated by recycled water sales, and as recommended by the Treatment Plant Advisory Committee and approved by the City of San Jose, the administering agency.

FUND DESCRIPTIONS

South Bay Water Recycling Operating Fund

This Enterprise Fund accounts for the monies received from the sale of wholesale recycled water produced by the South Bay Water Recycling (SBWR) program for the operations and maintenance of the SBWR system.

St. James Park Management District Fund

This Special Revenue Fund accounts for the donations from developers collected in the Downtown Parks Management District for the activation, operations, and maintenance at St. James Park.

State Drug Forfeiture Fund

This Special Revenue Fund accounts for State drug forfeiture monies received whenever the Police Department is involved in asset seizures from convicted drug law violators. City Council guidelines for this fund stipulate that seizure monies be used for the financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities.

Storm Drainage Fee Fund

This Capital Fund accounts for fees collected from developers as a result of connections to the storm drainage sewer system, which may be used for expansion or capacity improvements of the storm drainage system or land acquisition for the system.

Storm Sewer Capital Fund

This Capital Fund accounts for the construction and reconstruction of the storm drainage system, and is funded primarily by transfers from the Storm Sewer Operating Fund.

Storm Sewer Operating Fund

This Special Revenue Fund accounts for revenues collected from owners of properties that benefit from the storm drainage system. Funds may be used for maintenance and operation of the storm drainage system. Expenditures are focused on maintenance and

operation of the storm drainage system, as well as non-point source pollution reduction.

Subdivision Park Trust Fund

This Capital Fund accounts for payments of fees in lieu of dedication of land for park and recreation purposes in residential subdivisions. Moneys in the fund, including accrued interest, may be expended solely for the acquisition or development of improvements on parkland to serve the subdivision for which the fees were paid.

Supplemental Law Enforcement Services Fund

This Special Revenue Fund accounts for revenues received from the State of California (AB 3229) to be used for front line municipal police services.

Transient Occupancy Tax Fund

This Special Revenue Fund accounts for receipts generated through the assessment of a percentage of the rental price for transient occupancy lodging charged when the period of occupancy is less than 30 days. The tax rate is currently 10%, 6% of which is placed in this fund and 4% of which is deposited in the General Fund. The uses of revenues from this source are specified by City Ordinance and include grants and rental subsidies for fine arts and cultural programs, and subsidies for the San José Convention and Visitors Bureau, and Convention and Cultural Facilities.

Underground Utility Fund

This Capital Fund accounts for fees collected from developers in lieu of placing utility facilities underground at the time of development. The Underground Utility Program implements the City's General Plan goals and policies, which state that the City should encourage the movement of existing overhead utilities underground. The fund is used to establish Rule 20B Underground Utility Districts.

FUND DESCRIPTIONS

Vehicle Maintenance and Operations Fund

This Internal Service Fund accounts for the operation, maintenance, and replacement of City vehicles and equipment.

Water Utility Capital Fund

This Capital Fund accounts for the acquisition, construction, and installation of water system capital improvements for the Municipal Water System. This system provides water service to North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas and is primarily funded through user charges.

Water Utility Fund

This Enterprise Fund accounts for the operation of five water system districts: North San José, Evergreen, Coyote Valley, Edenvale, and Alviso. The water system provides services to the general public on a continuing basis and is financed through user charges.

Workforce Development Fund

This Special Revenue Fund accounts for the administration of a federal program that provides primary employment and training services to dislocated and low-income residents.

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I. BUDGET PERFORMANCE SUMMARY

This section of the Annual Report summarizes 2022-2023 financial performance in the General Fund, Special Funds, and Capital Funds, with the following tables provided for reference.

Comparison of Budget to Actual Revenues and Expenditures by Fund – This table, organized by General Fund, Special Funds, and Capital Funds, displays the 2022-2023 Budgeted and Actual revenues as well as the 2022-2023 Budgeted and Actual expenditures, with the dollar and percent variance for each City fund. The revenue figures exclude the Beginning Fund Balance and Reserves and the expenditure figures exclude the Reserves and Ending Fund Balance.

As shown in the Comparison of Budget to Actual Revenues and Expenditures table, actual 2022-2023 revenues across all funds totaled \$4.7 billion, which was 10.0% (\$526.7 million) below the budgeted estimate of \$5.3 billion. In 2022-2023, expenditures totaled \$5.1 billion, which was 21.8% (\$1.4 billion) below the modified budget of \$6.5 billion. Any funds with revenue or expenditure variances to the modified budget that are 10% or greater are numbered with a specific revenue or expenditure code, which are detailed at the bottom of the table.

Comparison of Estimated to Actual 2022-2023 Ending Fund Balance – This table, organized by General Fund, Special Funds, and Capital Funds, displays the 2022-2023 Modified Budget for each fund, followed by the estimated 2022-2023 Ending Fund Balance that was used in the development of the 2023-2024 Adopted Budget, the Actual 2022-2023 Ending Fund Balance, the variance between the Estimated and Actual Ending Fund Balance, the value of additional rebudgets recommended in this report, and the revised 2022-2023 Ending Fund Balance variance, should the recommended rebudgets be approved. The table then displays the percentage of the Modified Budget that the revised Ending Fund Balance represents. It is important to note that the dollar amount for the Modified Budget is not adjusted for transfers, loans, and contributions between funds, and therefore, overstates the total funding that was available between the combined funds.

The financial performance in 2022-2023 is used as the updated starting point for 2023-2024. The collective 2022-2023 Ending Fund Balances for all City funds totaled \$2.43 billion, which was \$42.0 million above the 2022-2023 Ending Fund Balance estimates of \$2.39 billion used in the development of the 2023-2024 Adopted Budget. After adjusting for a total net negative rebudget of \$9.5 million recommended in this report, the adjusted 2022-2023 Ending Fund Balance variance for all funds increases to \$51.5 million, or 0.6% of the 2022-2023 Modified Budget. The adjusted fund balance variance totaled -\$451,000 in the General Fund, -\$6.3 million in the special funds, and \$58.2 million in the capital funds.

I. BUDGET PERFORMANCE SUMMARY

I. BUDGET PERFORMANCE SUMMARY

For most funds, the Actual 2022-2023 Ending Fund Balance was above the estimate used in the development of the 2023-2024 Adopted Budget. In these instances, the additional fund balance is programmed as part of the 2022-2023 Annual Report actions. For the few funds where the 2022-2023 Actual Ending Fund Balance was below the estimate used in the development of the 2023-2024 Adopted Budget, actions are recommended in this report to bring the fund into balance with the lower starting point. In some instances, the variance is the result of the timing of revenues and/or expenditures and the reconciling actions will adjust for those timing differences.

Summary of 2022-2023 Year-End Reserves by Fund – This table, organized by General Fund, Special Funds, and Capital Funds, displays the 2022-2023 Contingency and Earmarked Reserves balances for each fund.

At the end of 2022-2023, the Contingency and Earmarked Reserves for all City funds totaled \$940.5, which represented 11.6% of the total 2022-2023 Modified Budget of \$8.1 billion (including interfund transfers, loans, and contributions). In the General Fund, Reserves totaled \$341.9 million.

I. BUDGET PERFORMANCE SUMMARY

COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND

Fund	2022-2023		2022-2023		2022-2023		2022-2023		Reason for Significant Variances
	Budget Revenues	Actual Revenues	Revenue Variance	% Variance	2022-2023 Budget Expenditures	Actual Expenditures	Expenditure Variance	% Variance	
General Fund	1,698,821,608	1,703,746,677	4,925,069	0.3%	1,979,716,417	1,676,727,720	302,988,697	15.3%	E1, E2, E3
Special Funds									
Affordable Housing Impact Fee Fund	6,040,000	4,509,223	(1,530,777)	-25.3%	16,358,791	7,544,700	8,814,091	53.9%	R2, E1
Airport Customer Facility and Transportation Fee Fund	15,304,545	16,754,982	1,450,437	9.5%	11,653,845	11,185,903	467,942	4.0%	
Airport Fiscal Agent Fund	48,297,639	49,500,668	1,203,029	2.5%	48,023,369	47,479,853	543,516	1.1%	
Airport Maintenance and Operation Fund	151,070,145	108,740,006	(42,330,139)	-28.0%	155,826,516	119,144,018	36,682,498	23.5%	R8, E5
Airport Revenue Fund	208,547,707	226,633,859	18,086,152	8.7%	266,141,075	223,314,233	42,826,842	16.1%	E5
Airport Surplus Revenue Fund	89,862,000	89,950,581	88,581	0.1%	89,862,000	89,835,484	26,516	0.0%	
American Rescue Plan Fund	106,565,145	108,090,809	1,525,664	1.4%	94,338,858	106,463,822	(12,124,964)	-12.9%	E6
Benefits Funds - Benefit Fund	86,649,830	83,099,708	(3,550,122)	-4.1%	87,611,322	83,195,851	4,415,471	5.0%	
Benefits Funds - Dental Insurance Fund	12,985,230	11,566,213	(1,419,017)	-10.9%	12,872,544	12,540,617	331,927	2.6%	R8
Benefits Funds - Life Insurance Fund	1,898,045	1,968,065	70,020	3.7%	1,860,855	1,840,113	20,742	1.1%	
Benefits Funds - Self-Insured Medical Fund	0	0	0	0.0%	54,389	54,389	0	0.0%	
Benefits Funds - Unemployment Insurance Fund	1,520,000	41,528	(1,478,472)	-97.3%	755,562	586,237	169,325	22.4%	R8, E2
Building Development Fee Program Fund	33,966,338	37,996,802	4,030,464	11.9%	43,341,204	35,480,725	7,860,479	18.1%	R1, E3
Building Homes and Jobs Act Fund	6,769,142	4,347,720	(2,421,422)	-35.8%	4,604,529	4,565,756	38,773	0.8%	R4
Business Improvement District Fund	3,099,611	3,538,086	438,475	14.1%	3,833,718	3,431,932	401,786	10.5%	R1, E2
Cash Reserve Fund	100	138	38	38.0%	0	0	0	0.0%	R5
Citywide Planning Fee Program Fund	3,331,000	3,554,115	223,115	6.7%	5,032,335	2,892,721	2,139,614	42.5%	E3
City Hall Debt Service Fund	25,405,000	25,612,303	207,303	0.8%	25,210,500	25,194,712	15,788	0.1%	
Comm Development Block Grant Fund	20,895,126	14,059,650	(6,835,476)	-32.7%	28,603,819	17,165,456	11,438,363	40.0%	R4, E1
Community Facilities District No. 1 (Capitol Auto Mall) Fund	199,500	197,081	(2,419)	-1.2%	290,736	199,990	90,746	31.2%	E3
Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund	1,815,600	1,830,936	15,336	0.8%	2,451,068	1,892,975	558,093	22.8%	E3
Community Facilities District No. 8 (Communications Hill) Fund	1,054,000	1,065,404	11,404	1.1%	1,290,913	986,222	304,691	23.6%	E3
Community Facilities District No. 11 (Adeline-Mary Helen) Fund	52,400	53,286	886	1.7%	78,000	13,090	64,910	83.2%	E3
Community Facilities District No. 12 (Basking Ridge) Fund	257,500	258,895	1,395	0.5%	470,894	377,257	93,637	19.9%	E3
Community Facilities District No. 13 (Guadalupe Mines) Fund	73,921	79,719	5,798	7.8%	101,702	97,216	4,486	4.4%	
Community Facilities District No. 14 (Raleigh-Charlotte) Fund	633,000	649,839	16,839	2.7%	644,453	542,559	101,894	15.8%	E3
Community Facilities District No. 15 (Berryessa-Sierra) Fund	132,020	141,648	9,628	7.3%	176,076	63,501	112,575	63.9%	E3
Community Facilities District No. 16 (Raleigh-Coronado) Fund	437,800	465,680	27,880	6.4%	309,985	232,404	77,581	25.0%	E3
Community Facilities District No. 17 (Capitol Expy – Evergreen Place)	94,000	96,987	2,987	3.2%	154,693	6,286	148,407	95.9%	E1
Community Facilities Revenue Fund	0	2,675	2,675	0.0%	331,057	331,057	0	0.0%	R5
Convention and Cultural Affairs Fund	14,707,013	14,696,756	(10,257)	-0.1%	13,032,478	10,794,057	2,238,421	17.2%	E2
Convention Center Facilities District Revenue Fund	14,600,000	11,950,157	(2,649,843)	-18.1%	9,002,500	8,944,228	58,272	0.6%	R2
Coronavirus Relief Fund	0	590	590	0.0%	15,287	(62,009)	77,296	505.6%	E1
Downtown Property and Business Improvement District Fund	5,066,217	4,882,268	(183,949)	-3.6%	4,507,982	4,423,477	84,505	1.9%	
Economic Development Administration Loan Fund	125	162	37	29.6%	0	0	0	0.0%	R5
Edward Byrne Memorial Justice Assistance Grant Trust Fund	1,551,342	672,853	(878,489)	-56.6%	1,550,135	673,121	877,014	56.6%	R4, E1
Emergency Reserve Fund	38,310,000	7,149,393	(31,160,607)	-81.3%	9,982,155	6,210,850	3,771,305	37.8%	R4, E1
Federal Drug Forfeiture Fund - Treasury - Memo Fund	0	419,025	419,025	0.0%	0	0	0	0.0%	R4
Fire Development Fee Program Fund	7,892,700	8,224,295	331,595	4.2%	10,169,938	8,756,360	1,413,578	13.9%	E3
Gas Tax Maintenance and Construction Fund - 1943	8,200,000	7,945,431	(254,569)	-3.1%	8,200,000	7,945,431	254,569	3.1%	
Gas Tax Maintenance and Construction Fund - 1964	3,600,000	3,422,331	(177,669)	-4.9%	3,600,000	3,422,331	177,669	4.9%	
Gas Tax Maintenance and Construction Fund - 1990	6,000,000	5,818,999	(181,001)	-3.0%	6,000,000	5,818,999	181,001	3.0%	
General Purpose Parking Fund	13,913,200	15,168,536	1,255,336	9.0%	16,703,078	15,281,711	1,421,367	8.5%	
Gift Trust Fund	63,810	799,834	736,024	1153.5%	4,593,895	1,930,050	2,663,845	58.0%	R5, E4
Home Investment Partnership Program Fund	16,409,009	982,724	(15,426,285)	-94.0%	18,494,777	487,610	18,007,167	97.4%	R4, E1
Homeless Housing, Assistance, and Prevention Fund	36,895,196	5,379,826	(31,515,370)	-85.4%	42,221,466	18,385,274	23,836,192	56.5%	R4, E1
Housing Trust Fund	1,418,000	1,757,483	339,483	23.9%	6,985,380	4,559,564	2,425,816	34.7%	R1, E1
Ice Centre Revenue Fund	5,672,736	5,708,826	36,090	0.6%	5,727,787	5,081,482	646,305	11.3%	E3
Inclusionary Fee Fund	7,670,000	6,184,922	(1,485,078)	-19.4%	30,936,229	1,016,903	29,919,326	96.7%	R2, E1
Integrated Waste Management Fund	194,400,776	197,289,783	2,889,007	1.5%	207,299,328	203,008,728	4,290,600	2.1%	
Library Parcel Tax Fund	10,355,999	10,435,787	79,788	0.8%	12,547,566	12,119,291	428,275	3.4%	

I. BUDGET PERFORMANCE SUMMARY

COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND

Fund	2022-2023		Revenue		2022-2023 Budget		2022-2023		Reason for Significant Variances
	Budget Revenues	Actual Revenues	Variance	% Variance	Expenditures	Actual Expenditures	Expenditure Variance	% Variance	
Low and Moderate Income Housing Asset Fund	17,000,000	18,719,033	1,719,033	10.1%	165,372,786	80,078,892	85,293,894	51.6%	R5, E1
Maintenance District No. 1 (Los Paseos) Fund	371,000	437,604	66,604	18.0%	481,332	390,070	91,262	19.0%	R1, R5, E3
Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund	95,808	92,265	(3,543)	-3.7%	125,806	115,161	10,645	8.5%	
Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund	96,100	96,971	871	0.9%	89,446	74,246	15,200	17.0%	E3
Maintenance District No. 8 (Zanker-Montague) Fund	121,353	120,046	(1,307)	-1.1%	179,125	157,515	21,610	12.1%	E3
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund	212,580	209,828	(2,752)	-1.3%	242,122	203,096	39,026	16.1%	E3
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund	89,454	89,430	(24)	0.0%	125,021	89,997	35,024	28.0%	E3
Maintenance District No. 13 (Karina-O'Neil) Fund	60,200	62,636	2,436	4.0%	40,997	38,515	2,482	6.1%	
Maintenance District No. 15 (Silver Creek Valley) Fund	1,536,554	1,536,891	337	0.0%	1,693,016	1,508,543	184,473	10.9%	E3
Maintenance District No. 18 (The Meadowlands) Fund	95,600	97,943	2,343	2.5%	100,473	86,163	14,310	14.2%	E3
Maintenance District No. 19 (River Oaks Area Landscaping) Fund	189,595	189,447	(148)	-0.1%	220,836	161,925	58,911	26.7%	E3
Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund	89,961	90,346	385	0.4%	130,972	113,507	17,465	13.3%	E3
Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund	119,796	121,483	1,687	1.4%	97,012	90,110	6,902	7.1%	
Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund	114,023	109,375	(4,648)	-4.1%	110,356	103,353	7,003	6.3%	
Multi-Source Housing Fund	46,572,265	40,427,926	(6,144,339)	-13.2%	84,534,141	47,272,561	37,261,580	44.1%	R4, E1
Municipal Golf Course Fund	720,000	499,801	(220,199)	-30.6%	452,252	449,747	2,505	0.6%	R2
Planning Development Fee Program Fund	8,341,858	7,240,834	(1,101,024)	-13.2%	8,279,451	7,512,663	766,788	9.3%	R2
Public Works Development Fee Program Fund	14,675,000	16,953,567	2,278,567	15.5%	16,933,776	16,153,791	779,985	4.6%	R1
Public Works Program Support Fund	22,494,000	21,240,292	(1,253,708)	-5.6%	23,213,038	23,433,193	(220,155)	-0.9%	
Public Works Small Cell Permitting Fee Program Fund	2,780,000	2,687,128	(92,872)	-3.3%	2,976,500	2,690,669	285,831	9.6%	
Rental Stabilization Program Fee Fund	3,812,815	3,656,407	(156,408)	-4.1%	5,313,447	4,228,430	1,085,017	20.4%	E3
San José Arena Capital Reserve Fund	3,805,000	3,896,541	91,541	2.4%	7,591,000	5,190,076	2,400,924	31.6%	E1, E2
San José Clean Energy Operating Fund	522,171,039	521,561,704	(609,335)	-0.1%	471,153,842	453,226,020	17,927,822	3.8%	
San José-Santa Clara Treatment Plant Income Fund	108,410	298,821	190,411	175.6%	0	0	0	0.0%	R5
San José-Santa Clara Treatment Plant Operating Fund	134,756,429	126,429,577	(8,326,852)	-6.2%	165,541,661	120,557,317	44,984,344	27.2%	E1, E3
Sewage Treatment Plant Connection Fee Fund	2,664,000	1,749,305	(914,695)	-34.3%	645,135	361,579	283,556	44.0%	R2, E2
Sewer Service and Use Charge Fund	188,002,616	191,147,054	3,144,438	1.7%	212,086,301	207,333,569	4,752,732	2.2%	
South Bay Water Recycling Operating Fund	17,717,664	16,686,167	(1,031,497)	-5.8%	21,280,999	16,055,471	5,225,528	24.6%	E3
St. James Park Management District Fund	36,000	103,390	67,390	187.2%	785,190	608,885	176,305	22.5%	R5, E3
State Drug Forfeiture Fund	0	100,383	100,383	0.0%	300	0	300	100.0%	E3
Storm Sewer Operating Fund	34,330,845	34,151,981	(178,864)	-0.5%	33,643,180	30,475,952	3,167,228	9.4%	
Supplemental Law Enforcement Services Fund	5,052,939	2,733,700	(2,319,239)	-45.9%	5,216,898	3,578,395	1,638,503	31.4%	R4, E1
Transient Occupancy Tax Fund	22,555,000	22,437,347	(117,653)	-0.5%	26,712,011	23,519,252	3,192,759	12.0%	E2
Vehicle Maintenance and Operations Fund	34,346,250	30,725,593	(3,620,657)	-10.5%	37,895,800	32,268,496	5,627,304	14.8%	R4, E1
Water Utility Fund	61,743,637	61,049,471	(694,166)	-1.1%	65,702,601	61,609,346	4,093,255	6.2%	
Workforce Development Fund	12,381,330	8,086,738	(4,294,592)	-34.7%	12,510,710	8,053,580	4,457,130	35.6%	R4, E1
Subtotal Special Funds	2,372,941,588	2,239,533,612	(133,407,976)	-5.6%	2,685,332,322	2,263,246,622	422,085,700	15.7%	
Capital Funds									
Airport Capital Improvement Fund	42,874,000	12,216,041	(30,657,959)	-71.5%	42,847,149	24,231,557	18,615,592	43.4%	R4, E1
Airport Passenger Facility Charge Fund	21,386,000	23,590,821	2,204,821	10.3%	13,641,000	13,640,003	997	0.0%	R1
Airport Renewal and Replacement Fund	55,637,000	57,143,927	1,506,927	2.7%	92,668,288	36,879,720	55,788,568	60.2%	E1
Airport Revenue Bond Improvement Fund	39,200,000	10,000,000	(29,200,000)	-74.5%	39,200,000	10,229,375	28,970,625	73.9%	R6,E1
Branch Libraries Bond Projects Fund	20,000	146,391	126,391	632.0%	6,151,116	579,534	5,571,582	90.6%	R5, E1
Building and Structure Construction Tax Fund	95,603,000	29,978,254	(65,624,746)	-68.6%	144,668,766	53,301,926	91,366,840	63.2%	R2, R4, E1
Communications Construction and Conveyance Tax Fund	5,620,000	5,359,418	(260,582)	-4.6%	7,272,324	6,089,942	1,182,382	16.3%	E1
Construction Excise Tax Fund	137,264,269	90,274,517	(46,989,752)	-34.2%	203,564,292	143,063,567	60,500,725	29.7%	R2, R4, E1
Contingent Lien District Fund	103,526	241,095	137,569	132.9%	1,184,901	202,477	982,424	82.9%	R3, E1
Convention and Cultural Affairs Capital Fund	200,000	510,317	310,317	155.2%	1,247,566	476,398	771,168	61.8%	R5, E1
Convention Center Facility District Capital Fund	1,219,500	1,232,892	13,392	1.1%	1,496,500	406,481	1,090,019	72.8%	E1
Council District 1 Construction and Conveyance Tax Fund	927,000	518,144	(408,856)	-44.1%	5,661,903	1,911,033	3,750,870	66.2%	R2, E1, E2
Council District 2 Construction and Conveyance Tax Fund	538,000	350,386	(187,614)	-34.9%	1,647,838	1,149,916	497,922	30.2%	R2, E1, E2
Council District 3 Construction and Conveyance Tax Fund	587,000	250,655	(336,345)	-57.3%	2,079,132	906,283	1,172,849	56.4%	R2, R4, E1, E2
Council District 4 Construction and Conveyance Tax Fund	1,780,000	1,656,232	(123,768)	-7.0%	4,279,575	1,810,390	2,469,185	57.7%	E1, E2

I. BUDGET PERFORMANCE SUMMARY

COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND

Fund	2022-2023		Revenue		2022-2023 Budget		2022-2023		Reason for Significant Variances
	Budget Revenues	Actual Revenues	Variance	% Variance	Expenditures	Actual Expenditures	Expenditure Variance	% Variance	
Council District 5 Construction and Conveyance Tax Fund	874,000	488,949	(385,051)	-44.1%	6,519,303	2,078,911	4,440,392	68.1%	R2, E1, E2
Council District 6 Construction and Conveyance Tax Fund	525,000	299,139	(225,861)	-43.0%	2,567,912	1,230,340	1,337,572	52.1%	R2, E1, E2
Council District 7 Construction and Conveyance Tax Fund	1,636,000	885,146	(750,854)	-45.9%	4,594,021	2,327,805	2,266,216	49.3%	R2, R4, E1, E2
Council District 8 Construction and Conveyance Tax Fund	510,000	554,686	44,686	8.8%	3,354,240	1,657,334	1,696,906	50.6%	E1, E2
Council District 9 Construction and Conveyance Tax Fund	650,000	363,490	(286,510)	-44.1%	3,705,554	542,557	3,162,997	85.4%	R2, E1, E2
Council District 10 Construction and Conveyance Tax Fund	292,000	163,334	(128,666)	-44.1%	1,878,042	564,172	1,313,870	70.0%	R2, E1, E2
Emma Prusch Fund	108,000	114,321	6,321	5.9%	335,000	88,425	246,575	73.6%	E1, E2
Fire Construction and Conveyance Tax Fund	4,103,000	3,442,333	(660,667)	-16.1%	10,798,729	4,371,617	6,427,112	59.5%	R2,E1
General Purpose Parking Capital Fund	1,770,000	2,586,954	816,954	46.2%	29,341,718	8,887,563	20,454,155	69.7%	R5, E1
Ice Centre Expansion Bond Fund	225,000	214,562	(10,438)	-4.6%	21,282,354	21,271,916	10,438	0.0%	
Improvement District Fund	0	0	0	0.0%	0	0	0	0.0%	
Lake Cunningham Fund	593,000	462,729	(130,271)	-22.0%	926,120	294,822	631,298	68.2%	R2, E1, E2
Library Construction and Conveyance Tax Fund	7,686,000	10,162,446	2,476,446	32.2%	14,689,266	8,835,129	5,854,137	39.9%	R3, E1
Library Parcel Tax Capital Fund	985,839	1,012,288	26,449	2.7%	1,598,401	1,111,282	487,119	30.5%	E1
Major Collectors and Arterials Fund	29,000	82,896	53,896	185.8%	495,000	495,000	0	0.0%	R5
Major Facilities Fund	49,000	151,676	102,676	209.5%	2,530,316	93,316	2,437,000	96.3%	R1, E1
Measure T Public Safety and Infrastructure Bond Fund	0	5,071,110	5,071,110	0.0%	201,461,870	82,269,779	119,192,091	59.2%	R5, E1
Park Yards Construction and Conveyance Tax Fund	660,000	569,374	(90,626)	-13.7%	2,150,000	571,041	1,578,959	73.4%	R2, E1, E2
Parks and Recreation Bond Projects Fund	100,000	372,850	272,850	272.9%	2,425,455	784,330	1,641,125	67.7%	R5, E1, E2
Parks Central Construction and Conveyance Tax Fund	30,625,000	26,044,379	(4,580,621)	-15.0%	33,008,251	24,487,693	8,520,558	25.8%	R2, E1, E2
Parks City-Wide Construction and Conveyance Tax Fund	12,487,000	4,818,154	(7,668,846)	-61.4%	30,221,754	11,023,681	19,198,073	63.5%	R2, R6, E1, E2
Residential Construction Tax Contribution Fund	270,000	277,377	7,377	2.7%	466,000	98,880	367,120	78.8%	E1
San José-Santa Clara Treatment Plant Capital Fund	682,942,000	441,487,124	(241,454,876)	-35.4%	739,564,354	622,652,139	116,912,215	15.8%	R5, E1
Sanitary Sewer Connection Fee Fund	667,000	575,364	(91,636)	-13.7%	1,647,025	1,114,803	532,222	32.3%	R2, E1
Sewer Service and Use Charge Capital Improvement Fund	37,395,000	37,734,717	339,717	0.9%	71,482,636	27,659,878	43,822,758	61.3%	E1
Service Yards Construction and Conveyance Tax Fund	4,141,000	3,770,410	(370,590)	-8.9%	16,638,738	5,132,634	11,506,104	69.2%	E1
South Bay Water Recycling Capital Fund	56,000	89,704	33,704	60.2%	3,691,000	0	3,691,000	100.0%	R5, E1
Storm Drainage Fee Fund	237,240	153,608	(83,632)	-35.3%	347,987	209,206	138,781	39.9%	R2, E1
Storm Sewer Capital Fund	2,247,550	4,321,006	2,073,456	92.3%	27,825,524	14,856,892	12,968,632	46.6%	R3, E1
Subdivision Park Trust Fund		15,372,700	15,372,700	0.0%	48,807,247	21,215,952	27,591,295	56.5%	R3, R5, E1, E2
Underground Utility Fund	909,000	1,971,476	1,062,476	116.9%	2,841,671	622,162	2,219,509	78.1%	R5, E3
Water Utility Capital Fund	7,947,000	8,426,992	479,992	6.0%	20,373,980	10,241,868	10,132,112	49.7%	E1
Subtotal Capital Funds	1,203,678,924	805,510,384	(398,168,540)	-33.1%	1,875,179,818	1,171,669,729	703,510,089	37.5%	
TOTAL ALL FUNDS	5,275,442,120	4,748,790,673	(526,651,447)	-10.0%	6,540,228,557	5,111,644,071	1,428,584,486	21.8%	

Reasons for Significant Variances in Revenues

- R1 Revenues collected from taxes, fees, and charges came in higher than anticipated
- R2 Revenues collected from taxes, fees, and charges came in lower than anticipated
- R3 Revenues collected from grants and reimbursements came in higher than anticipated
- R4 Revenues collected from grants and reimbursements came in lower than anticipated
- R5 Interest earnings, developer/agency contributions, and other miscellaneous revenue came in higher than anticipated
- R6 Interest earnings, developer/agency contributions, and other miscellaneous revenue came in lower than anticipated
- R7 Transfers from various funds were higher than anticipated
- R8 Transfers from various funds were lower than anticipated

Reasons for Significant Variances in Expenditures

- E1 Expenditures were lower than anticipated due to the delay of projects and/or change in schedule of expenditures
- E2 Expenditures were lower than anticipated due to project/program savings
- E3 Expenditures were lower than anticipated due to lower operating costs (e.g. personal services and non-personal/equipment cost savings)
- E4 Expenditures were lower than anticipated due to unspent gifts
- E5 Expenditures/Transfer to various funds were lower than budgeted based on actual 2022-2023 activity
- E6 Expenditures/Transfer to various funds were higher than budgeted based on unexpected actual 2022-2023 activity at year-end

I. BUDGET PERFORMANCE SUMMARY

COMPARISON OF ESTIMATED TO ACTUAL 2022-2023 ENDING FUND BALANCE

Fund	2022-2023		2022-2023		Recommended		Revised Variance as % of Modified Budget
	Modified Budget	Estimated Ending Balance	Actual Ending Fund Balance	Variance	Rebudgets	Revised Variance	
General Fund	2,321,636,352	629,626,855	639,359,298	9,732,443	10,183,170	(450,727)	0.0%
Special Funds							
Affordable Housing Impact Fee Fund	20,477,045	15,001,355	13,310,578	(1,690,777)	(1,409,010)	(281,767)	-1.4%
Airport Customer Facility and Transportation Fee Fund	25,335,252	14,695,406	16,028,626	1,333,220	0	1,333,220	5.3%
Airport Fiscal Agent Fund	120,454,995	74,322,626	74,178,171	(144,455)	0	(144,455)	-0.1%
Airport Maintenance and Operation Fund	184,126,726	26,011,327	23,922,800	(2,088,527)	0	(2,088,527)	-1.1%
Airport Revenue Fund	317,913,246	113,382,910	112,685,165	(697,745)	0	(697,745)	-0.2%
Airport Surplus Revenue Fund	90,989,475	1,155,811	1,242,572	86,761	0	86,761	0.1%
American Rescue Plan Fund	94,338,858	0	2,244,132	2,244,132	0	2,244,132	2.4%
Benefits Funds - Benefit Fund	87,685,722	1,551,421	948,526	(602,895)	0	(602,895)	-0.7%
Benefits Funds - Dental Insurance Fund	18,121,535	1,700,926	2,708,540	1,007,614	0	1,007,614	5.6%
Benefits Funds - Life Insurance Fund	2,143,725	355,805	375,324	19,519	0	19,519	0.9%
Benefits Funds - Self-Insured Medical Fund	54,389	0	0	0	0	0	0.0%
Benefits Funds - Unemployment Insurance Fund	3,684,611	1,094,892	1,124,022	29,130	0	29,130	0.8%
Building Development Fee Program Fund	68,470,660	32,854,196	37,021,177	4,166,981	0	4,166,981	6.1%
Building Homes and Jobs Act Fund	6,789,373	70,231	(197,804)	(268,035)	0	(268,035)	-3.9%
Business Improvement District Fund	3,853,974	0	0	0	0	0	0.0%
Cash Reserve Fund	6,284	6,284	6,322	38	0	38	0.6%
Citywide Planning Fee Program Fund	8,320,390	5,730,277	5,650,784	(79,493)	0	(79,493)	-1.0%
City Hall Debt Service Fund	25,623,563	413,063	636,154	223,091	0	223,091	0.9%
Comm Development Block Grant Fund	28,648,970	9,234,674	3,226,769	(6,007,905)	1,233,968	(7,241,873)	-25.3%
Community Facilities District No. 1 (Capitol Auto Mall) Fund	750,967	566,588	548,558	(18,030)	0	(18,030)	-2.4%
Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund	3,139,659	1,297,108	1,262,019	(35,089)	91,000	(126,089)	-4.0%
Community Facilities District No. 8 (Communications Hill) Fund	1,536,699	492,447	561,881	69,434	0	69,434	4.5%
Community Facilities District No. 11 (Adeline-Mary Helen) Fund	90,197	30,961	77,993	47,032	0	47,032	52.1%
Community Facilities District No. 12 (Basking Ridge) Fund	474,322	112,214	98,459	(13,755)	0	(13,755)	-2.9%
Community Facilities District No. 13 (Guadalupe Mines) Fund	433,785	355,466	342,367	(13,099)	0	(13,099)	-3.0%
Community Facilities District No. 14 (Raleigh-Charlotte) Fund	1,747,699	1,204,432	1,221,978	17,546	0	17,546	1.0%
Community Facilities District No. 15 (Berryessa-Sierra) Fund	776,695	710,480	722,823	12,343	0	12,343	1.6%
Community Facilities District No. 16 (Raleigh-Coronado) Fund	1,426,147	1,232,775	1,224,676	(8,099)	0	(8,099)	-0.6%
Community Facilities District No. 17 (Capitol Expy – Evergreen Place)	290,822	293,322	287,523	(5,799)	0	(5,799)	-2.0%
Community Facilities Revenue Fund	331,057	0	2,675	2,675	0	2,675	0.8%
Convention and Cultural Affairs Fund	17,240,490	4,958,012	6,436,176	1,478,164	0	1,478,164	8.6%
Convention Center Facilities District Revenue Fund	35,980,878	15,680,826	14,354,782	(1,326,044)	0	(1,326,044)	-3.7%
Coronavirus Relief Fund	29,032	0	29,622	29,622	29,622	0	0.0%
Downtown Property and Business Improvement District Fund	6,868,931	2,370,949	2,261,506	(109,443)	0	(109,443)	-1.6%
Economic Development Administration Loan Fund	7,358	7,358	7,395	37	0	37	0.5%
Edward Byrne Memorial Justice Assistance Grant Trust Fund	1,652,052	101,917	442	(101,475)	442	(101,917)	-6.2%
Emergency Reserve Fund	10,236,650	663,049	(26,876,252)	(27,539,301)	(27,036,859)	(502,442)	-4.9%
Federal Drug Forfeiture Fund	7,966	7,966	426,992	419,026	0	419,026	5260.2%
Fire Development Fee Program Fund	11,550,790	2,330,538	2,382,003	51,465	0	51,465	0.4%
Gas Tax Maintenance and Construction Fund - 1943	8,200,000	0	0	0	0	0	0.0%
Gas Tax Maintenance and Construction Fund - 1964	3,600,000	0	0	0	0	0	0.0%
Gas Tax Maintenance and Construction Fund - 1990	6,000,000	0	0	0	0	0	0.0%
General Purpose Parking Fund	21,135,371	6,183,987	6,408,999	225,012	0	225,012	1.1%

I. BUDGET PERFORMANCE SUMMARY

COMPARISON OF ESTIMATED TO ACTUAL 2022-2023 ENDING FUND BALANCE

Fund	2022-2023		2022-2023		Recommended		Revised Variance as % of Modified Budget
	Modified Budget	Estimated Ending Fund Balance	Actual Ending Fund Balance	Variance	Rebudgets	Revised Variance	
Gift Trust Fund	5,023,509	1,121,781	3,702,776	2,580,995	2,573,293	7,702	0.2%
Home Investment Partnership Program Fund	20,956,525	1,961,748	5,042,631	3,080,883	0	3,080,883	14.7%
Homeless Housing, Assistance, and Prevention Fund	42,798,422	12,245,147	(7,102,222)	(19,347,369)	0	(19,347,369)	-45.2%
Housing Trust Fund	7,931,301	4,506,366	3,711,220	(795,146)	0	(795,146)	-10.0%
Ice Centre Revenue Fund	7,225,911	1,480,674	2,180,520	699,846	0	699,846	9.7%
Inclusionary Fee Fund	75,477,671	34,263,950	46,427,035	12,163,085	16,271,164	(4,108,079)	-5.4%
Integrated Waste Management Fund	225,700,277	25,174,278	25,629,096	454,818	293,293	161,525	0.1%
Library Parcel Tax Fund	15,090,774	2,609,444	3,054,138	444,694	0	444,694	2.9%
Low and Moderate Income Housing Asset Fund	189,299,634	46,297,793	104,624,638	58,326,845	44,974,853	13,351,992	7.1%
Maintenance District No. 1 (Los Paseos) Fund	806,173	525,320	482,708	(42,612)	0	(42,612)	-5.3%
Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund	301,380	192,150	182,676	(9,474)	0	(9,474)	-3.1%
Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund	244,309	166,659	170,933	4,274	0	4,274	1.7%
Maintenance District No. 8 (Zanker-Montague) Fund	200,349	28,480	41,525	13,045	0	13,045	6.5%
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund	467,067	230,293	261,218	30,925	0	30,925	6.6%
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund	264,247	180,003	174,226	(5,777)	0	(5,777)	-2.2%
Maintenance District No. 13 (Karina-O'Nel) Fund	231,370	186,546	195,291	8,745	0	8,745	3.8%
Maintenance District No. 15 (Silver Creek Valley) Fund	1,740,750	259,508	232,544	(26,964)	0	(26,964)	-1.5%
Maintenance District No. 18 (The Meadowlands) Fund	274,611	199,496	190,792	(8,704)	0	(8,704)	-3.2%
Maintenance District No. 19 (River Oaks Area Landscaping) Fund	367,985	199,777	205,913	6,136	0	6,136	1.7%
Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund	179,974	51,903	66,852	14,949	0	14,949	8.3%
Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund	300,878	214,748	212,456	(2,292)	0	(2,292)	-0.8%
Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund	166,935	44,414	58,934	14,520	0	14,520	8.7%
Multi-Source Housing Fund	89,270,971	39,116,907	33,375,480	(5,741,427)	(56,548)	(5,684,879)	-6.4%
Municipal Golf Course Fund	3,469,493	146,493	299,547	153,054	0	153,054	4.4%
Planning Development Fee Program Fund	12,684,608	4,023,386	4,071,210	47,824	0	47,824	0.4%
Public Works Development Fee Program Fund	21,458,622	5,408,438	7,583,613	2,175,175	0	2,175,175	10.1%
Public Works Program Support Fund	24,062,352	1,464,314	(624,548)	(2,088,862)	0	(2,088,862)	-8.7%
Public Works Small Cell Permitting Fee Program Fund	3,039,388	89,519	255,846	166,327	0	166,327	5.5%
Rental Stabilization Program Fee Fund	5,439,055	271,734	1,054,217	782,483	0	782,483	14.4%
San José Arena Capital Reserve Fund	10,599,329	920,522	3,392,986	2,472,464	0	2,472,464	23.3%
San José Clean Energy Operating Fund	628,002,331	180,030,449	173,742,498	(6,287,951)	(1,180,532)	(5,107,419)	-0.8%
San José-Santa Clara Treatment Plant Income Fund	1,002,115	1,004,705	1,192,526	187,821	0	187,821	18.7%
San José-Santa Clara Treatment Plant Operating Fund	186,731,274	59,513,923	60,945,689	1,431,766	85,510	1,346,256	0.7%
Sewage Treatment Plant Connection Fee Fund	23,183,049	22,426,914	21,906,776	(520,138)	0	(520,138)	-2.2%
Sewer Service and Use Charge Fund	281,933,514	75,288,127	77,751,290	2,463,163	(81,000)	2,544,163	0.9%
South Bay Water Recycling Operating Fund	22,941,448	6,769,143	5,936,444	(832,699)	0	(832,699)	-3.6%
St. James Park Management District Fund	5,075,618	4,444,024	4,538,763	94,739	0	94,739	1.9%
State Drug Forfeiture Fund	1,049,207	1,049,207	1,149,590	100,383	0	100,383	9.6%
Storm Sewer Operating Fund	52,789,677	20,959,938	22,175,034	1,215,096	0	1,215,096	2.3%
Supplemental Law Enforcement Services Fund	8,035,593	2,818,695	2,138,097	(680,598)	(839,536)	158,938	2.0%
Transient Occupancy Tax Fund	28,605,039	393,027	3,468,134	3,075,107	0	3,075,107	10.8%
Vehicle Maintenance and Operations Fund	38,504,683	1,608,883	2,615,621	1,006,738	258,900	747,838	1.9%
Water Utility Fund	76,854,083	13,319,531	14,629,135	1,309,604	0	1,309,604	1.7%
Workforce Development Fund	13,691,581	380,068	(397,861)	(777,929)	(868,066)	90,137	0.7%
Subtotal Special Funds	3,374,019,442	909,770,024	937,840,462	28,070,438	34,340,494	(6,270,056)	-0.2%
Capital Funds							
Airport Capital Improvement Fund	48,547,039	4,816,403	(6,129,308)	(10,945,711)	(5,200,000)	(5,745,711)	-11.8%
Airport Passenger Facility Charge Fund	37,253,279	23,612,279	25,818,097	2,205,818	0	2,205,818	5.9%
Airport Renewal and Replacement Fund	92,933,457	52,369,922	57,744,916	5,374,994	(1,822,000)	7,196,994	7.7%

I. BUDGET PERFORMANCE SUMMARY

COMPARISON OF ESTIMATED TO ACTUAL 2022-2023 ENDING FUND BALANCE

Fund	2022-2023		2022-2023		Recommended		Revised Variance as % of Modified Budget
	Modified Budget	Estimated Ending Fund Balance	Actual Ending Fund Balance	Variance	Rebudgets	Revised Variance	
Airport Revenue Bond Improvement Fund	39,200,000	0	(229,375)	(229,375)	(230,000)	625	0.0%
Branch Libraries Bond Projects Fund	6,378,788	5,387,672	5,925,646	537,974	491,000	46,974	0.7%
Building and Structure Construction Tax Fund	198,784,656	78,504,534	79,892,363	1,387,829	944,000	443,829	0.2%
Communications Construction and Conveyance Tax Fund	8,393,059	1,565,789	2,042,535	476,746	0	476,746	5.7%
Construction Excise Tax Fund	257,407,941	89,219,171	79,415,781	(9,803,390)	(19,451,029)	9,647,639	3.7%
Contingent Lien District Fund	3,395,940	3,067,513	3,331,032	263,519	0	263,519	7.8%
Convention and Cultural Affairs Capital Fund	1,292,220	983,249	1,126,139	142,890	(164,000)	306,890	23.7%
Convention Center Facility District Capital Fund	1,510,238	1,102,738	1,117,149	14,411	0	14,411	1.0%
Council District 1 Construction and Conveyance Tax Fund	7,859,808	5,421,905	5,560,102	138,197	3,000	135,197	1.7%
Council District 2 Construction and Conveyance Tax Fund	3,571,313	2,113,475	2,255,000	141,525	(11,000)	152,525	4.3%
Council District 3 Construction and Conveyance Tax Fund	3,288,511	1,850,379	2,072,782	222,403	126,000	96,403	2.9%
Council District 4 Construction and Conveyance Tax Fund	5,536,605	2,281,030	3,733,229	1,452,199	1,250,000	202,199	3.7%
Council District 5 Construction and Conveyance Tax Fund	9,448,276	6,532,973	7,014,314	481,341	298,000	183,341	1.9%
Council District 6 Construction and Conveyance Tax Fund	6,801,814	5,115,434	5,358,578	243,144	161,000	82,144	1.2%
Council District 7 Construction and Conveyance Tax Fund	8,189,774	5,004,753	5,122,098	117,345	(44,000)	161,345	2.0%
Council District 8 Construction and Conveyance Tax Fund	6,350,394	4,346,154	4,752,747	406,593	63,000	343,593	5.4%
Council District 9 Construction and Conveyance Tax Fund	7,094,651	6,204,097	6,286,801	82,704	(669,000)	751,704	10.6%
Council District 10 Construction and Conveyance Tax Fund	2,885,973	2,107,931	2,208,669	100,738	78,000	22,738	0.8%
Emma Prusch Fund	627,953	358,953	545,849	186,896	174,000	12,896	2.1%
Fire Construction and Conveyance Tax Fund	16,170,663	10,421,751	11,138,066	716,315	451,000	265,315	1.6%
General Purpose Parking Capital Fund	40,128,029	20,414,311	32,057,418	11,643,107	7,780,000	3,863,107	9.6%
Ice Centre Expansion Bond Fund	21,282,354	354	156	(198)	0	(198)	0.0%
Improvement District Fund	20,322	20,322	20,322	0	0	0	0.0%
Lake Cunningham Fund	2,122,351	1,444,231	1,697,258	253,027	(15,000)	268,027	12.6%
Library Construction and Conveyance Tax Fund	21,427,178	10,631,987	15,084,646	4,452,659	233,000	4,219,659	19.7%
Library Parcel Tax Capital Fund	1,598,401	320,000	553,278	233,278	167,000	66,278	4.1%
Major Collectors and Arterials Fund	1,505,615	1,002,615	1,064,510	61,895	0	61,895	4.1%
Major Facilities Fund	6,486,856	6,436,085	6,496,215	60,130	5,000	55,130	0.8%
Measure T Public Safety and Infrastructure Bond Fund	248,009,774	150,117,114	173,327,876	23,210,762	18,896,000	4,314,762	1.7%
Park Yards Construction and Conveyance Tax Fund	5,793,064	4,993,064	5,131,397	138,333	156,000	(17,667)	-0.3%
Parks and Recreation Bond Projects Fund	17,524,406	17,040,951	17,012,926	(28,025)	(61,000)	32,975	0.2%
Parks Central Construction and Conveyance Tax Fund	35,443,350	2,721,099	6,377,470	3,656,371	2,114,000	1,542,371	4.4%
Parks City-Wide Construction and Conveyance Tax Fund	37,754,924	16,768,843	19,206,499	2,437,656	897,000	1,540,656	4.1%
Residential Construction Tax Contribution Fund	3,160,742	2,695,431	3,069,239	373,808	0	373,808	11.8%
San José-Santa Clara Treatment Plant Capital Fund	873,861,245	99,467,510	15,086,779	(84,380,731)	(77,821,000)	(6,559,731)	-0.8%
Sanitary Sewer Connection Fee Fund	3,545,935	2,101,910	2,339,496	237,586	3,000	234,586	6.6%
Sewer Service and Use Charge Capital Improvement Fund	116,443,635	66,841,998	89,113,744	22,271,746	6,559,754	15,711,992	13.5%
Service Yards Construction and Conveyance Tax Fund	19,287,448	13,661,289	13,784,224	122,935	(113,000)	235,935	1.2%
South Bay Water Recycling Capital Fund	4,059,802	4,034,802	4,093,505	58,703	0	58,703	1.4%
Storm Drainage Fee Fund	829,915	451,928	537,076	85,148	0	85,148	10.3%
Storm Sewer Capital Fund	28,653,446	3,005,848	15,870,009	12,864,161	7,246,231	5,617,930	19.6%
Subdivision Park Trust Fund	104,504,294	89,849,980	98,716,737	8,866,757	2,832,000	6,034,757	5.8%
Underground Utility Fund	11,618,216	9,024,601	12,058,530	3,033,929	0	3,033,929	26.1%
Water Utility Capital Fund	25,792,970	15,828,204	16,636,034	807,830	653,050	154,780	0.6%
Subtotal Capital Funds	2,403,776,624	851,262,582	855,438,554	4,175,972	(54,019,994)	58,195,966	2.4%
TOTAL ALL FUNDS	8,099,432,418	2,390,659,461	2,432,638,314	41,978,853	(9,496,330)	51,475,183	0.6%

I. BUDGET PERFORMANCE SUMMARY

SUMMARY OF 2022-2023 YEAR-END RESERVES BY FUND

Fund	2022-2023 Contingency and Earmarked Reserves Balance
<i>General Fund</i>	341,919,935
<i>Special Funds</i>	
Affordable Housing Impact Fee Fund	0
Airport Customer Facility and Transportation Fee Fund	13,681,407
Airport Fiscal Agent Fund	72,731,626
Airport Maintenance and Operation Fund	28,300,210
Airport Revenue Fund	51,772,171
Airport Surplus Revenue Fund	1,127,475
American Rescue Plan Fund	0
Benefits Funds - Benefit Fund	0
Benefits Funds - Dental Insurance Fund	1,425,000
Benefits Funds - Life Insurance Fund	0
Benefits Funds - Self-Insured Medical Fund	0
Benefits Funds - Unemployment Insurance Fund	500,000
Building Development Fee Program Fund	0
Building Homes and Jobs Act Fund	0
Business Improvement District Fund	20,256
Cash Reserve Fund	0
Citywide Planning Fee Program Fund	0
City Hall Debt Service Fund	0
Comm Development Block Grant Fund	0
Community Facilities District No. 1 (Capitol Auto Mall) Fund	0
Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund	0
Community Facilities District No. 8 (Communications Hill) Fund	0
Community Facilities District No. 11 (Adeline-Mary Helen) Fund	0
Community Facilities District No. 12 (Basking Ridge) Fund	0
Community Facilities District No. 13 (Guadalupe Mines) Fund	0
Community Facilities District No. 14 (Raleigh-Charlotte) Fund	0
Community Facilities District No. 15 (Berryessa-Sierra) Fund	0
Community Facilities District No. 16 (Raleigh-Coronado) Fund	0
Community Facilities District No. 17 (Capitol Expy – Evergreen Place)	0
Community Facilities Revenue Fund	0
Convention and Cultural Affairs Fund	0
Convention Center Facilities District Revenue Fund	12,297,552
Coronavirus Relief Fund	0
Downtown Property and Business Improvement District Fund	0
Economic Development Administration Loan Fund	0
Edward Byrne Memorial Justice Assistance Grant Trust Fund	0
Emergency Reserve Fund	0
Federal Drug Forfeiture Fund - Treasury - Memo Fund	0
Fire Development Fee Program Fund	0
Gas Tax Maintenance and Construction Fund - 1943	0
Gas Tax Maintenance and Construction Fund - 1964	0
Gas Tax Maintenance and Construction Fund - 1990	0
General Purpose Parking Fund	700,000
Gift Trust Fund	0
Home Investment Partnership Program Fund	0
Homeless Housing, Assistance, and Prevention Fund	0
Housing Trust Fund	0
Ice Centre Revenue Fund	487,500
Inclusionary Fee Fund	26,548,656

I. BUDGET PERFORMANCE SUMMARY

SUMMARY OF 2022-2023 YEAR-END RESERVES BY FUND

Fund	2022-2023 Contingency and Earmarked Reserves Balance
Integrated Waste Management Fund	16,536,128
Library Parcel Tax Fund	1,500,000
Low and Moderate Income Housing Asset Fund	6,316,413
Maintenance District No. 1 (Los Paseos) Fund	0
Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund	0
Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund	0
Maintenance District No. 8 (Zanker-Montague) Fund	0
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund	0
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund	0
Maintenance District No. 13 (Karina-O'Nel) Fund	0
Maintenance District No. 15 (Silver Creek Valley) Fund	0
Maintenance District No. 18 (The Meadowlands) Fund	0
Maintenance District No. 19 (River Oaks Area Landscaping) Fund	0
Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund	0
Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund	0
Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund	0
Multi-Source Housing Fund	2,478,502
Municipal Golf Course Fund	2,500,000
Planning Development Fee Program Fund	0
Public Works Development Fee Program Fund	0
Public Works Program Support Fund	0
Public Works Small Cell Permitting Fee Program Fund	0
Rental Stabilization Program Fee Fund	0
San José Arena Capital Reserve Fund	2,107,807
San José Clean Energy Operating Fund	0
San José-Santa Clara Treatment Plant Income Fund	0
San José-Santa Clara Treatment Plant Operating Fund	20,990,137
Sewage Treatment Plant Connection Fee Fund	22,537,914
Sewer Service and Use Charge Fund	64,930,000
South Bay Water Recycling Operating Fund	1,559,259
St. James Park Management District Fund	0
State Drug Forfeiture Fund	0
Storm Sewer Operating Fund	13,108,751
Supplemental Law Enforcement Services Fund	0
Transient Occupancy Tax Fund	1,500,000
Vehicle Maintenance and Operations Fund	0
Water Utility Fund	11,139,213
Workforce Development Fund	754,801
<i>Subtotal Special Funds</i>	<i>377,550,778</i>

I. BUDGET PERFORMANCE SUMMARY

SUMMARY OF 2022-2023 YEAR-END RESERVES BY FUND

Fund	2022-2023 Contingency and Earmarked Reserves Balance
Airport Capital Improvement Fund	0
Airport Passenger Facility Charge Fund	0
Airport Renewal and Replacement Fund	0
Airport Revenue Bond Improvement Fund	0
Branch Libraries Bond Projects Fund	0
Building and Structure Construction Tax Fund	38,964,993
Communications Construction and Conveyance Tax Fund	0
Construction Excise Tax Fund	49,213,194
Contingent Lien District Fund	2,091,039
Convention and Cultural Affairs Capital Fund	0
Convention Center Facility District Capital Fund	0
Council District 1 Construction and Conveyance Tax Fund	250,000
Council District 2 Construction and Conveyance Tax Fund	1,200,000
Council District 3 Construction and Conveyance Tax Fund	886,000
Council District 4 Construction and Conveyance Tax Fund	25,000
Council District 5 Construction and Conveyance Tax Fund	1,680,000
Council District 6 Construction and Conveyance Tax Fund	3,272,000
Council District 7 Construction and Conveyance Tax Fund	3,578,000
Council District 8 Construction and Conveyance Tax Fund	1,735,000
Council District 9 Construction and Conveyance Tax Fund	1,665,000
Council District 10 Construction and Conveyance Tax Fund	161,000
Emma Prusch Fund	200,000
Fire Construction and Conveyance Tax Fund	2,994,870
General Purpose Parking Capital Fund	1,570,000
Ice Centre Expansion Bond Fund	0
Improvement District Fund	0
Lake Cunningham Fund	200,000
Library Construction and Conveyance Tax Fund	1,000,000
Library Parcel Tax Capital Fund	0
Major Collectors and Arterials Fund	0
Major Facilities Fund	1,600,000
Measure T Public Safety and Infrastructure Bond Fund	5,781,000
Park Yards Construction and Conveyance Tax Fund	750,000
Parks and Recreation Bond Projects Fund	15,098,951
Parks Central Construction and Conveyance Tax Fund	0
Parks City-Wide Construction and Conveyance Tax Fund	6,264,000
Residential Construction Tax Contribution Fund	0
San José-Santa Clara Treatment Plant Capital Fund	0
Sanitary Sewer Connection Fee Fund	0
Sewer Service and Use Charge Capital Improvement Fund	17,400,000
Service Yards Construction and Conveyance Tax Fund	0
South Bay Water Recycling Capital Fund	3,666,000
Storm Drainage Fee Fund	0
Storm Sewer Capital Fund	0
Subdivision Park Trust Fund	55,697,047
Underground Utility Fund	0
Water Utility Capital Fund	4,100,000
<i>Subtotal Capital Funds</i>	221,043,094
TOTAL ALL FUNDS	940,513,807

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II. GENERAL FUND BUDGET PERFORMANCE

This section of the Annual Report summarizes the performance of the General Fund and is broken down into the following sections:

General Fund Year-End Performance – This section provides data on the overall status of the General Fund at the end of 2022-2023. It includes a chart that compares the General Fund Modified Budget and actuals for sources, uses, and Ending Fund Balance as well as a chart that compares the General Fund actuals to the estimates used in the development of the 2023-2024 Adopted Budget.

General Fund Revenue Performance – This section provides details on the actual 2022-2023 General Fund revenue collections. This section includes a chart that compares the 2022-2023 Modified Budget to the actuals for each of the General Fund revenue categories. This chart is followed by a discussion of the performance in each category that includes an explanation of variances from the Modified Budget, any resulting current year implications for revenue estimates, and a comparison of the actual revenues to prior year collections to indicate collection trends and provide a historical perspective.

General Fund Expenditure Performance – This section provides details on the actual 2022-2023 General Fund expenditures. This section includes charts that compare the 2022-2023 Modified Budget to actuals for the major expenditure categories as well as the 2022-2023 year-end estimates to actuals for the total expenditures. The review of the General Fund expenditure performance also includes detailed information on departmental and non-departmental performance, including a discussion of significant variances as well as a chart of total expenditures by each category broken down in further detail. In addition, this section includes a discussion of significant departmental variances and highlights of non-departmental expenditures and variances.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND YEAR-END PERFORMANCE

The General Fund ended the year with an available 2022-2023 Ending Fund Balance (unaudited) of \$639.4 million, as reflected in the following table:

GENERAL FUND BUDGET TO ACTUAL COMPARISON FOR THE YEAR ENDED JUNE 30, 2023

	2022-2023 Modified Budget	2022-2023 Budgetary Basis Actual	Variance
Sources			
Beginning Fund Balance	558,987,400	558,987,400	-
Carry-over Encumbrances	63,827,344	63,827,344	-
Liquidation of Carry-over Encumbrances		(10,474,403)	(10,474,403)
<i>Subtotal</i>	<i>622,814,744</i>	<i>612,340,341</i>	<i>(10,474,403)</i>
Revenues	1,698,821,608	1,703,746,677	4,925,069
Total Sources	<u>2,321,636,352</u>	<u>2,316,087,018</u>	<u>(5,549,334)</u>
Uses			
Personal Services	899,171,816	887,824,518	(11,347,298)
Non-Personal/Equipment/Other	220,404,221	194,846,850	(25,557,371)
City-Wide Expenses	748,714,795	518,580,503	(230,134,292)
Capital Contributions	73,614,946	37,665,210	(35,949,736)
Transfers	37,810,639	37,810,639	-
Reserves	341,919,935	-	(341,919,935)
Total Uses	<u>2,321,636,352</u>	<u>1,676,727,720</u>	<u>(644,908,632)</u>
Available Ending Fund Balance		<u>639,359,298</u>	<u>639,359,298</u>

Note: In the chart above, the General Fund excludes the Emergency Reserve Fund and Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2022-2023 Annual Comprehensive Financial Report (ACFR), the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND YEAR-END PERFORMANCE

The actual ending fund balance of \$639.4 million exceeded the estimated Ending Fund Balance level used in the development of the 2023-2024 Adopted Budget by \$9.7 million (0.3% of the 2022-2023 Modified Budget for revenues and expenditures). However, once adjusted for clean-up actions recommended in this report associated with the close-out of 2022-2023, a true ending fund balance of \$18.6 million (0.5% of the 2022-2023 Modified Budget for revenues and expenditures) remains in 2022-2023 and is available for allocation in 2023-2024. The elements of the Ending Fund Balance variance are illustrated in the following estimate to actual comparison chart.

GENERAL FUND ESTIMATE TO ACTUAL COMPARISON FOR THE YEAR ENDED JUNE 30, 2023

Sources	2022-2023 Estimate	2022-2023 Budgetary Basis Actual	Variance
Beginning Fund Balance	558,987,400	558,987,400	-
Carry-over Encumbrances	63,827,344	63,827,344	-
Liquidation of Carry-over Encumbrances	500,000	(10,474,403)	(10,974,403)
<i>Subtotal</i>	<i>623,314,744</i>	<i>612,340,341</i>	<i>(10,974,403)</i>
Revenues	1,698,756,368	1,703,746,677	4,990,309 ¹
Total Sources	<u>2,322,071,112</u>	<u>2,316,087,018</u>	<u>(5,984,094)</u>
Uses			
Expenditures	1,692,444,257	1,676,727,720	(15,716,537) ¹
Total Uses	<u>1,692,444,257</u>	<u>1,676,727,720</u>	<u>(15,716,537)</u>
Ending Fund Balance	<u>629,626,855</u>	<u>639,359,298</u>	<u>9,732,443</u>

¹ The 2023-2024 Adopted Budget included \$5.6 million in grant and reimbursement-related revenues and expenditures not expected to be received in 2022-2023 and were rebudgeted to 2023-2024. This resulted in lower actual revenues and expenditures in 2022-2023, with no net impact to the General Fund. After factoring out the lower revenues and expenditures associated with these grants and reimbursements, the revenues variance actually resulted in a surplus of \$10.6 million, rather than a surplus of \$5.0 million, and the expenditures variance actually resulted in savings of \$10.1 million, rather than savings of \$15.7 million.

Note: In the chart above, the General Fund excludes the Emergency Reserve Funds and Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2022-2023 Annual Comprehensive Financial Report, the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND YEAR-END PERFORMANCE

A detailed analysis of the variances between the 2022-2023 Modified Budget and Budgetary Basis Actuals for revenues, expenditures, transfers, and reserves is provided in the following section. However, the variances for the Beginning Fund Balance and Liquidation of Carry-over Encumbrances category are discussed below.

The actual 2022-2023 Beginning Fund Balance of \$559.0 million was consistent with the estimate. The actual 2022-2023 Liquidation of Carry-over Encumbrances was -\$10.5 million due to a transfer of encumbrances from the American Rescue Plan (ARP) to the General Fund, which is offset by a transfer from the ARP Fund to the General Fund. The 2023-2024 Adopted Budget assumed a total of \$500,000 in encumbrance liquidations.

As noted on the chart on the previous page, after adjusting for \$5.6 million in grants and reimbursements that were not received or expended in 2022-2023, the final General Fund Ending Fund Balance represents a positive variance of \$9.7 million (0.3% of the 2022-2023 Modified Budget for revenues and expenditures), which includes higher than estimated expenditures savings (\$15.7 million), higher revenues (\$5.0 million), and lower than estimated liquidation of prior year encumbrances (\$11.0 million). After accounting for revenue and expenditure clean-up actions recommended in the Annual Report, including additional rebudgets, to close-out 2022-2023, \$18.6 million (0.5% of the 2022-2023 Modified Budget for revenues and expenditures) in additional Ending Fund Balance is available. The \$18.6 million positive fund balance variance is comprised of higher than estimated revenues of \$23.34 million, net expenditure savings of \$6.22 million, and lower than estimated liquidation of prior year encumbrances (-\$10.97 million).

Recommendations for the allocation of the additional 2022-2023 Ending Fund Balance are provided elsewhere in this document.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

The following table details actual 2022-2023 General Fund revenue collections as compared with the Modified Budget estimates:

TABLE A
2022-2023 GENERAL FUND REVENUE SUMMARY
COMPARISON OF BUDGET TO ACTUAL
(\$000s)

Category	2021-2022 Budgetary Basis Actual	2022-2023 Modified Budget	2022-2023 Budgetary Basis Actual	2022-2023 Budget to Actual \$ Variance
Property Tax	\$ 414,123,282	\$ 447,000,000	\$ 449,014,347	\$ 2,014,347
Sales Tax	323,143,574	337,200,000	343,472,084	6,272,084
Transient Occupancy Tax	10,515,117	15,000,000	14,936,816	(63,184)
Business Taxes	85,375,289	87,000,000	89,626,955	2,626,955
Utility Tax	103,591,802	120,950,000	124,266,765	3,316,765
Franchise Fees	48,378,348	44,968,393	44,823,852	(144,541)
Real Property Transfer Tax	110,015,391	65,000,000	56,279,648	(8,720,352)
Telephone Line Tax	21,313,810	20,000,000	21,093,889	1,093,889
Licenses and Permits	22,032,078	20,778,200	17,756,820	(3,021,380)
Fees, Rates, and Charges	22,110,063	22,124,947	23,595,906	1,470,959
Fines, Forfeitures, and Penalties	14,959,847	12,232,000	17,352,624	5,120,624
Rev. from Use of Money/Property	9,126,202	15,779,000	19,157,555	3,378,555
Revenue from Local Agencies	24,755,916	23,846,148	25,497,190	1,651,042
Revenue from State of California	26,241,795	34,536,015	19,912,631	(14,623,384)
Rev. from Federal Government	3,096,138	11,477,963	4,962,143	(6,515,820)
Other Revenue	329,257,694	292,158,629	291,249,120	(909,509)
Subtotal	1,568,036,346	1,570,051,295	1,562,998,345	(7,052,950)
Overhead Reimbursements	70,493,558	74,536,340	75,799,618	1,263,278
Transfers	84,446,673	35,637,596	47,176,528	11,538,932
Reimbursements for Services	16,552,061	18,596,377	17,772,186	(824,191)
Subtotal	171,492,292	128,770,313	140,748,332	11,978,019
TOTALS¹	\$ 1,739,528,638	\$ 1,698,821,608	\$ 1,703,746,677	\$ 4,925,069

¹ Excludes Beginning Fund Balance.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

The General Fund revenue performance for 2022-2023 is discussed in detail in this section. The 2022-2023 actual revenue receipts for each of the major revenue categories are compared to the modified budgets and any significant variances and resulting implications for current year revenue estimates are described. In addition, comparisons with prior fiscal year collection levels are included to indicate collection trends and to provide a historical perspective.

As shown in Table A, total revenue received in the General Fund in 2022-2023 was \$1.70 billion. This collection level was within 0.2%, or \$4.9 million, of the 2022-2023 Modified Budget. After accounting for reconciling items, rebudgets, and other clean-up actions, revenues ended the year \$23.3 million, or 1.4%, above the 2022-2023 Modified Budget.

The 2022-2023 collection level of \$1.70 billion was \$35.8 million, or 2.1%, below the actual 2021-2022 collections of \$1.74 billion. This year-over-year decline is primarily due to lower 2022-2023 collections for Real Property Transfer Tax (\$53.7 million), Transfers from Other Funds (\$37.3 million), and Other Revenue (\$38.0 million). The lower Real Property Transfer Tax revenue reflects a more constrained real estate market in 2022-2023, compared to 2021-2022. The year-over-year decrease in the Transfers category is primarily due to the American Rescue Plan Fund transfer to the General Fund totaling \$53.8 million in 2021-2022, which is significantly higher than the 2022-2023 transfer of \$16.0 million. These transfers account for City-wide revenue loss that was attributable to the pandemic, in accordance with U.S. Treasury Department regulations. Finally, Other Revenue dropped by \$38.0 million primarily due to Lease Revenue Bond proceeds of \$15.0 million being received in 2021-2022, higher Tax and Revenue Anticipation Notes (TRANs) revenue being issued in 2021-2022 (\$10.0 million), and larger grant revenue being received in 2021-2022 (\$8.8 million). Partially offsetting the lower receipts in these categories were year-over-year increases for Property Tax (\$34.9 million), Sales Tax (\$20.3 million), and Utility Tax (\$20.7 million). These revenues experienced year-over year growth due to several factors including strong economic activity and higher utility rates.

The variances from the Modified Budget levels, implications for current year revenue estimates, and changes from prior year level are further discussed on the following pages for all significant and notable revenue categories, as well as sources with substantial variances.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Property Tax

Property Tax	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Secured Property Tax	415,700,000	416,411,271	711,271	0.2%
Unsecured Property Tax	16,000,000	15,983,433	(16,567)	(0.1%)
SB 813 Property Tax	10,500,000	11,856,372	1,356,372	12.9%
Aircraft Property Tax	3,900,000	3,891,496	(8,504)	(0.2%)
HOPTR	900,000	871,775	(28,225)	(3.1%)
Total	447,000,000	449,014,347	2,014,347	0.5%

The Property Tax revenue category includes Secured Property Tax, Unsecured Property Tax, SB 813 Property Tax, Aircraft Property Tax, and Homeowner's Property Tax Relief (HOPTR). Property Tax receipts in 2022-2023 totaled \$449.0 million, which was \$2.0 million, or 0.5%, above the budgeted estimate of \$447.0 million, and represented an increase of 8.4% from 2021-2022 collections of \$414.1 million.

In 2022-2023, **Secured Property Tax** receipts continued to be the largest source of revenue in the Property Tax category. The Secured Property Tax category includes general Secured Property Tax, Successor Agency to the Redevelopment Agency (SARA) Residual Property Tax, and Educational Revenue Augmentation Fund (ERAF) revenues. In 2022-2023, receipts totaled \$416.4 million, which is slightly above the budgeted estimate of \$415.7 million, and is 7.3% above the 2021-2022 receipts of \$388.0 million. The growth from 2021-2022 collections reflects increased general Secured Property Tax receipts (\$25.4 million) and higher SARA Residual Property Tax receipts (\$4.1 million), partially offset by lower ERAF revenue (\$1.1 million).

The general Property Tax receipts growth of \$25.4 million in 2022-2023 primarily reflects an increase in assessed value, due to the California Consumer Price Index (CCPI) increase of 2%, and increased valuation due to changes in ownership or new construction. Under Proposition 13, assessed values of all real property adjust with the CCPI, with a 2% limit, unless there is a change in ownership, new construction, or a property has received a Proposition 8 adjustment. On a County-wide basis, the 2022-2023 roll growth was driven primarily by changes in ownership (57.0%), changes in the CCPI (25.1%), and new construction (13.7%).

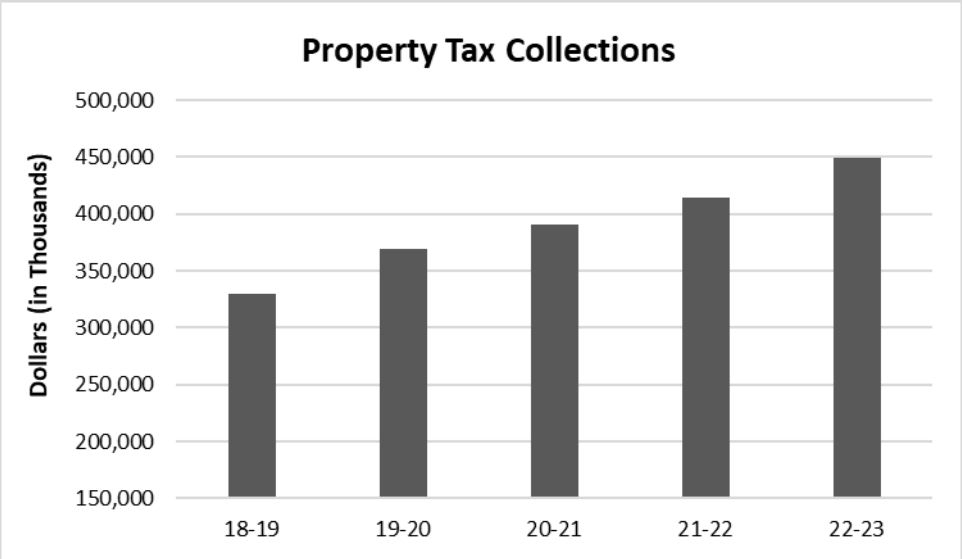
In addition to the changes in assessed value, Secured Property Tax collections were positively impacted by SARA Residual Property Tax receipts. As a result of the SARA bond refunding that occurred in December 2017, the City receives a residual property tax distribution. In 2022-2023 SARA Residual Property Tax receipts totaled \$22.4 million, which is \$4.1 million above the 2021-2022 collection level of \$18.3 million.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Property Tax

The final component of the Secured Property Tax category is excess ERAF revenue. ERAF collections totaled \$37.7 million in 2022-2023, which is \$1.1 million below the 2021-2022 collection level. Beginning in 1992, agencies have been required to reallocate a portion



of property tax receipts to ERAF, which offsets the State’s General Fund contributions to school districts under Proposition 98. However, once there are sufficient funds in ERAF to fulfill obligations, the remainder is to be returned to the taxing entities that contributed to it, which generally occurs in March of each fiscal year.

In the **Unsecured Property Tax** category, collections of \$16.0 million were consistent with the 2022-2023 Modified Budget estimate of \$16.0 million and 8.0% (\$1.2 million) above the 2021-2022 collections of \$14.8 million.

The **SB 813 Property Tax** component represents the retroactive taxes reassessed property valuation from the period of resale to the time that the Assessor formally revalues the property. In 2022-2023, receipts of \$11.9 million were \$1.4 million above the 2022-2023 Modified Budget estimate of \$10.5 million and \$4.4 million above the prior year collection level of \$7.5 million.

The remaining Property Tax categories include **Aircraft Property Tax** receipts, which totaled \$3.9 million in 2022-2023 and \$3.0 million in 2021-2022; and **Homeowners Property Tax Relief** revenue, which totaled \$872,000 in 2022-2023 and \$891,000 in 2021-2022.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Sales Tax

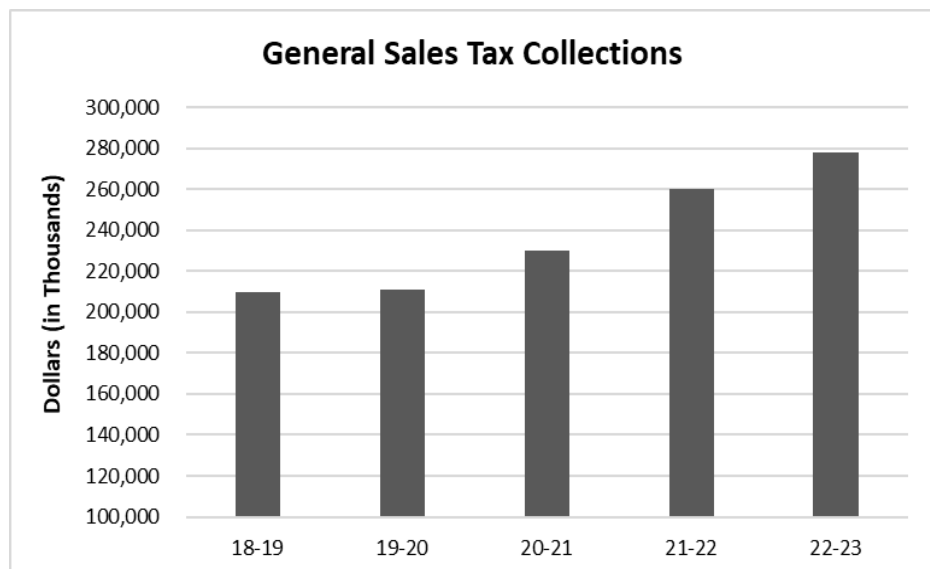
Sales Tax	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
General Sales Tax	272,000,000	277,574,329	5,574,329	2.0%
Local Sales Tax	57,000,000	57,718,830	718,830	1.3%
Prop 172 Sales Tax	8,200,000	8,178,925	(21,075)	(0.3%)
Total	337,200,000	343,472,084	6,272,084	1.9%

As shown in the following table, the City receives 1.25% of the 9.375% Sales Tax collected for items sold in San José. The distribution percentage includes a 0.25% local transaction and use tax enacted by the City of San José effective October 1, 2016 (limited to 15 years). The City also receives a portion of the Public Safety Fund (Proposition 172) Sales Tax collected State-wide.

Agency	Distribution Percentage
State of California	5.500%
City of San José (Bradley Burns)	1.000%
City of San José (Local Tax)	0.250%
Public Safety Fund (Proposition 172)	0.500%
Santa Clara County (Including VTA)	2.000%
Peninsula Corridor Joint Powers Board (Caltrain)	0.125%
Total	9.375%

The Sales Tax category includes General Sales Tax, Local Sales Tax, and Proposition 172 Sales Tax. Overall, Sales Tax collections in 2022-2023 of \$337.5 million were 1.9% (\$6.3 million) above the 2022-2023 Modified Budget estimate and 6.3% (\$20.3 million) above the prior year.

General Sales Tax revenue is the largest driver of the Sales Tax category and accounts for over 80% of all Sales Tax receipts. In 2022-2023 General Sales Tax collections totaled \$277.6 million, which was slightly (2.0%) above the 2022-2023 Modified Budget level of \$272.0 million and 6.8% above the 2021-2022 collection level.



II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Sales Tax

The City's Sales Tax consultant, Avenu Insights & Analytics, has provided economic performance data for 2022-2023, as displayed in the following chart. This analysis measures Sales Tax receipts for 2021-2022 and 2022-2023, excluding Sales Tax associated with the Revenue Capture Agreement.

General Sales Tax Revenue Performance (Economic Basis)

Economic Sector	2022-2023 % of Total Revenue	2021-2022 % of Total Revenue	% Change of Revenue Received by Category
Business-to-Business	19.4%	16.2%	28.3%
Transportation	18.0%	18.7%	3.8%
General Retail	17.9%	19.1%	0.7%
Food Products	13.5%	13.2%	9.8%
Construction	8.8%	9.6%	(1.6%)
Miscellaneous	0.7%	0.8%	5.6%
County Pool	21.7%	22.4%	3.9%
Total	100.0%	100.0%	

As can be seen in the table above, all categories except Construction experienced year-over-year growth, the largest of which include Business-to-Business, Transportation, General Retail (includes apparel stores, department stores, furniture/appliance stores, drug stores, recreation products, and florists/nurseries), and Food Products.

In addition, the County Pool, which is where the majority of online transactions are captured, has continued to grow. This growth is attributable to the pandemic's sustained impact of redirecting a significant amount of activity to online sales, and facilitated by the South Dakota vs. Wayfair, Inc. Supreme Court decision in 2018, which provided states with the authority to require online retailers to collect sales tax even without a local presence in that State. The County Pool revenue is distributed to all cities within Santa Clara County based on a distribution formula administered by the California Department of Tax and Fee Administration (CDTFA). This formula is based each quarter on each jurisdiction's total General Sales Tax receipts divided by the Total General Sales Tax receipts for the entire County. The City typically receives between 45% - 50% of the total County Pool.

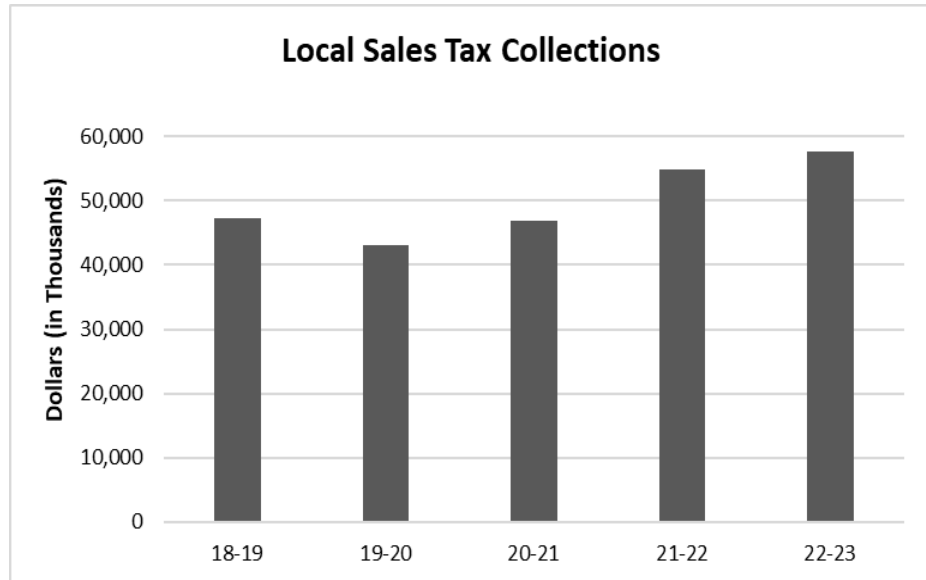
In 2023-2024, General Sales Tax collections are estimated at \$271.0 million, which allows for a 2.4% drop from the 2022-2023 actual collection level. This drop is due to the anticipated slowdown in the economy in 2023-2024. First quarter 2023-2024 General Sales Tax collections (July to September 2023 activity) are anticipated to be received in late November 2023. After these receipts are received and analyzed, updated General Sales Tax information will be included in the 2023-2024 Mid-Year Review.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Sales Tax

In June 2016, San José voters approved a ¼ cent **Local Sales Tax**, which began implementation in October 2016. Local Sales Tax is generated based on the destination of the purchased product; therefore, all out-of-state online retailers' (including marketplace facilitators) sales tax collections are directly distributed to the City



of San José, versus the General Sales Tax revenue that is deposited in the County Pool, where the City only receives approximately 45% - 50% of the proceeds. Due to this distinction, Local Sales Tax revenue may not always experience the same growth and decline rates as General Sales Tax receipts. In 2022-2023, Local Sales Tax revenues totaled \$57.7 million, which was 1.3% above the budget estimate of \$57.0 million, and 5.2% above the prior year collection level of \$54.9 million.

In 2023-2024, Local Sales Tax collections are estimated at \$57.0 million, which allows for a 1.2% drop from the 2022-2023 actual collection level. This drop is due to the anticipated slowdown in the economy in 2023-2024. First quarter 2023-2024 Local Sales Tax collections (July to September 2023 activity) are anticipated to be received in late November 2023. After these receipts are received and analyzed, updated Local Sales Tax information will be included in the 2023-2024 Mid-Year Review.

Proposition 172 Sales Tax collections represents the ½ cent tax that is allocated to counties and cities on an ongoing basis for funding public safety programs. In 2022-2023, receipts of \$8.2 million were consistent with the budgeted estimate, but were slightly below the 2021-2022 collection level of \$8.4 million. This performance reflects the overall Sales Tax performance throughout the State and the relative share that is attributed to San José.

II. GENERAL FUND BUDGET PERFORMANCE

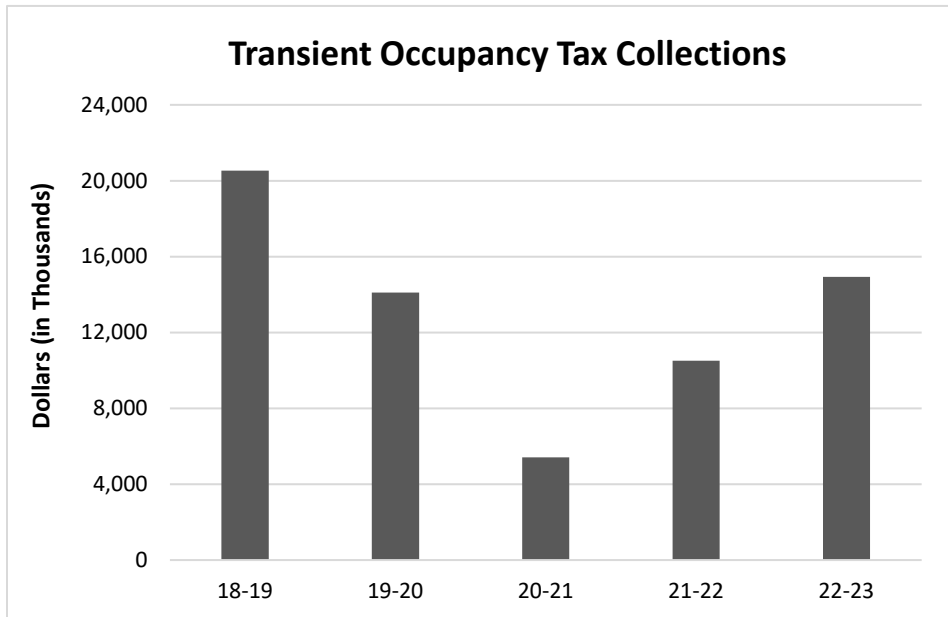
GENERAL FUND REVENUE PERFORMANCE

Transient Occupancy Tax

Transient Occupancy Tax	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Transient Occupancy Tax	15,000,000	14,936,816	(63,184)	(0.4%)
Total	15,000,000	14,936,816	(63,184)	(0.4%)

In 2022-2023, the General Fund’s portion (4.0%) of the City’s **Transient Occupancy Tax (TOT)** totaled \$14.9 million, which was consistent with the 2022-2023 Modified Budget estimate of \$15.0 million. While this performance level represents a significant increase (42.1%) from 2021-2022 collections of \$10.5 million, it is still well below the pre-pandemic high level (2018-2019) of approximately \$20.7 million. When the 2023-2024 Adopted Budget was developed, TOT receipts were estimated to reach \$16.0 million in 2022-2023 and remain flat into 2023-2024. Since 2022-2023 receipts did not meet this estimate, growth of 7.1% is needed to meet the 2023-2024 budgeted estimate.

For the fiscal year ending June 2023, the average hotel occupancy rate reported for the San José market was 62.8%, a 4.83 percentage point increase from 2021-2022. Average room rates increased by 20%, from \$132.01 to \$158.45, and the year-to-date average revenue-per-available room (RevPAR) increased 30%, from \$76.57 to \$99.57, relative to 2021-2022.



II. GENERAL FUND BUDGET PERFORMANCE

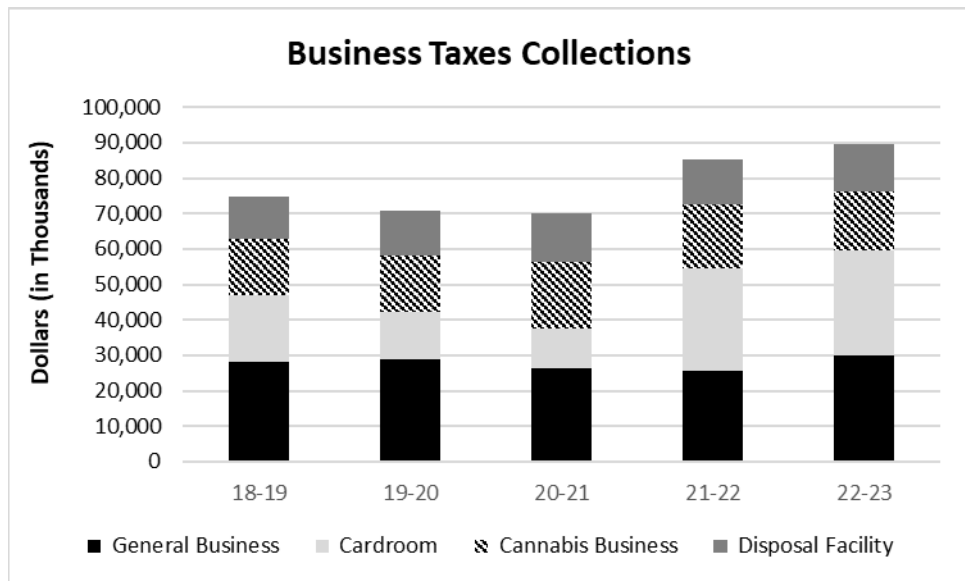
GENERAL FUND REVENUE PERFORMANCE

Business Taxes

Business Taxes	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
General Business Tax	27,000,000	29,947,651	2,947,651	10.9%
Cardroom Tax	32,000,000	29,754,234	(2,245,766)	(7.0%)
Cannabis Business Tax	15,000,000	16,598,018	1,598,018	10.7%
Disposal Facility Tax	13,000,000	13,327,052	327,052	2.5%
Total	87,000,000	89,626,955	2,626,955	3.0%

Revenues in the Business Taxes category include the General Business Tax, Cardroom Tax, Cannabis Business Tax, and Disposal Facility Tax. Overall, collections of \$89.6 million were 3.0% above the 2022-2023 Modified Budget estimate of \$87.0 million and \$4.3 million, or 5.0% above the 2021-2022 collection level.

Beginning in 2017-2018, **General Business Tax** collections reflect changes to the San José business tax, which was approved by San José voters on November 8, 2016 and took effect on July 1, 2017. The adjustments to the business tax included increasing the base tax, increasing the



incremental tax and making it more progressive, increasing the cap (the maximum amount of the tax affecting large businesses), updating the application of the tax to more classes of business, and adding inflation-based adjustments for future tax rates. In 2022-2023, General Business Tax collections of \$29.9 million ended the year \$2.9 million, or 10.9%, above the Modified Budget estimate and \$4.2 million, or 16.4%, above the prior year collection level. The pandemic significantly impacted local businesses, which drove down General Business Tax collections. As local businesses recover from the pandemic, the tax revenue is experiencing a corresponding increase. When the 2023-2024 Adopted Budget was developed, it was anticipated that 2022-2023 collections would total \$26.0 million and grow to \$27.5 million in 2023-2024. However, as 2022-2023 collections ended the year at \$29.9 million, 2023-2024 receipts can drop by 8.2% to meet the budgeted estimate. As collections are not anticipated to decrease in 2023-2024, the 2022-2023 Annual Report includes a recommendation to increase the budgeted estimate by \$2.0 million, from \$27.5 million to \$29.5 million.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Business Taxes

In 2022-2023, **Cardroom Tax** collections of \$29.8 million ended the year \$2.2 million (7.0%) below the 2022-2023 Modified Budget estimate of \$32.0 million. These receipts are inclusive of the ballot measure approved by voters in November 2020 that increased taxes on cardroom operators beginning in January 2021. When the 2023-2024 Adopted Budget was developed, it was anticipated Cardroom Tax revenue would total \$32.0 million in 2022-2023 and stay flat in 2023-2024. However, as collections ended the year at \$29.8 million, the 2023-2024 collection level requires growth of 7.5% to meet the budgeted estimate. As this high level of growth is not anticipated, a recommendation is included in the 2022-2023 Annual Report to decrease the Cardroom Tax budgeted estimate by \$2.0 million, from \$32.0 million to \$30.0 million.

Cannabis Business Tax collections reflect cannabis business tax as well as cannabis business tax compliance revenues. Cannabis Business Tax collections began after San José voters approved Ballot Measure U on November 2, 2010, which allowed the City to tax marijuana businesses. Further, in November 2016, the California Marijuana Legalization Initiative (Proposition 64) was approved by voters, which legalized recreational marijuana use in California. As a result, the sale of recreational cannabis at the 16 registered businesses in San José began in January 2018. In 2022-2023, Cannabis Business Tax collections totaled \$16.6 million, which included \$1.2 million of Cannabis Business Tax compliance revenue. The 2022-2023 collection level was \$1.6 million above the budgeted estimate; however, receipts were \$1.5 million below the 2021-2022 collection level. In 2023-2024, Cannabis Business Tax receipts are estimated at \$15.0 million, which is consistent with the 2022-2023 collections when excluding the unusually high compliance revenue received in 2022-2023.

In 2022-2023, **Disposal Facility Tax** collections of \$13.3 million were \$327,000 (2.5%) above the 2022-2023 Modified Budgeted estimate and \$596,000 above the 2021-2022 collection level. In 2023-2024, Disposal Facility Tax collections are anticipated to remain fairly flat and total \$13.0 million.

II. GENERAL FUND BUDGET PERFORMANCE

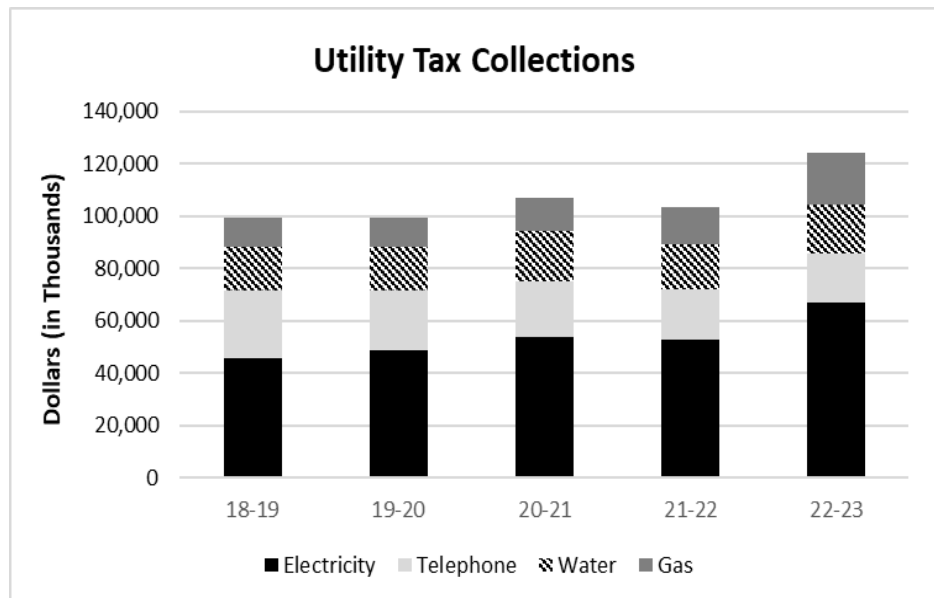
GENERAL FUND REVENUE PERFORMANCE

Utility Tax

Utility Tax	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Electricity Utility Tax	66,000,000	66,883,664	883,664	1.3%
Gas Utility Tax	19,000,000	20,088,513	1,088,513	5.7%
Water Utility Tax	18,000,000	18,667,588	667,588	3.7%
Telephone Utility Tax	17,950,000	18,627,000	677,000	3.8%
Total	120,950,000	124,266,765	3,316,765	2.7%

The City assesses utility user taxes on four utilities: Electricity, Gas, Water, and Telephone. Overall, Utility Tax receipts of \$124.3 million were \$3.3 million, or 2.7%, above the 2022-2023 Modified Budget estimate and were 20.0% above the 2021-2022 collection level of \$103.6 million. The year-over-year increase is due to higher rates for electricity and gas, increased consumption, and a payment processing timing issue that resulted in revenue related to 2021-2022 activity being included in 2020-2021 collections.

Receipts in the **Electricity Utility Tax** category of \$66.9 million were 1.3% above the 2022-2023 Modified Budget level of \$66.0 million and 26.4% higher than the 2021-2022 collection level. As mentioned above, this increase is due to higher rates, increased consumption, and a payment processing timing issue that resulted in Electricity Utility Tax



revenue related to 2021-2022 activity being included in 2020-2021 collections. In 2023-2024, Electricity Utility Tax revenue is anticipated to total \$70.0 million, which reflects a 4.7% increase from the 2022-2023 collection level.

Gas Utility Tax receipts of \$20.1 million were \$1.1 million (5.7%) above the budgeted estimate and \$5.9 million (41.6%) above 2021-2022 receipts. This increase is due to higher Pacific Gas & Electric rates, increased consumption, and a payment processing timing issue that resulted in Gas Utility Tax revenue related to 2021-2022 activity being included in 2020-2021 collections.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Utility Tax

When the 2023-2024 Adopted Budget was being developed, it was anticipated 2022-2023 collections would total \$18.0 million and grow to \$19.0 million in 2023-2024. However, as 2022-2023 collections ended the year at \$20.1 million, revenue can decline by 5.4% in 2023-2024 and meet the budgeted estimate. Gas Utility Tax receipts will be monitored and a budget adjustment may be brought forward later in the budget process to increase the Gas Utility Tax budgeted estimate. However, it is important to note that this category can also vary significantly from year to year based on weather conditions.

Receipts in the **Water Utility Tax** category of \$18.7 million were \$668,000 (3.7%) above the budgeted estimate and \$1.4 million, and 8.3%, above the 2021-2022 collection level. This increase is due to higher rates and increased consumption. In 2023-2024, Water Utility Tax revenue is anticipated to total \$19.0 million, which reflects a 1.8% increase from the 2022-2023 collection level.

Receipts in the **Telephone Utility Tax** category of \$18.6 million ended the year \$677,000, or 3.8%, above the budgeted estimate, but were \$607,000 (3.2%) below the 2021-2022 collection level. Revenues in this category have been consistently declining in recent years as a result of wireless consumers shifting to less expensive prepaid wireless plans, competition with cellular companies that keep prices down, and the shifting of wireless communications to increase reliance on data plans, which are not taxable.

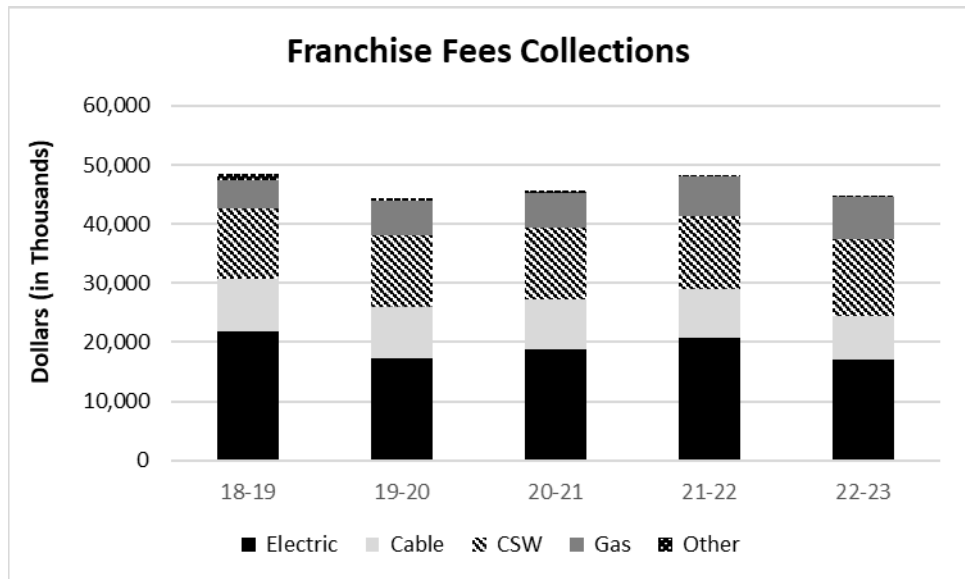
II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Franchise Fees

Franchise Fees	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Electric Franchise Fee	17,000,000	16,989,931	(10,069)	(0.1%)
Commercial Solid Waste	13,003,393	13,045,927	42,534	0.3%
Cable Franchise Fee	7,600,000	7,472,969	(127,031)	(1.7%)
Gas Franchise Fee	7,000,000	6,980,788	(19,212)	(0.3%)
Great Oaks Water	250,000	242,485	(7,515)	N/A
Nitrogen and Jet Fuel	65,000	85,911	20,911	32.2%
Tow	50,000	5,841	(44,159)	(88.3%)
Total	44,968,393	44,823,852	(144,541)	(0.3%)

Franchise Fee collections of \$44.8 million were slightly (0.3%) below the 2022-2023 Modified Budget level of \$45.0 million and \$3.6 million (7.3%) below the 2021-2022 collection level. The year-over-year variance is due to lower Electric Franchise Fee and Cable



Franchise Fee revenue, partially offset by higher Commercial Solid Waste and Gas Franchise Fee receipts. Franchise Fee receipts dropped in 2022-2023 due to a change in the timing of PG&E payments. Previously, PG&E provided three advance progress payments and then a clean-up payment for franchise fees; however, under the new system PG&E will only provide one payment per year, based on the calendar year. As a result of this timing change, the April 2023 payment only included a clean-up payment for the 2022 calendar year and no quarterly progress payment was received in June 2023; instead, the next payment will not be received until April 2024. In 2023-2024, Franchise Fees are expected to return to normal levels and total \$51.8 million.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Real Property Transfer Tax

Real Property Transfer Tax	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Real Property Transfer Tax	65,000,000	56,279,648	(8,720,352)	(13.4%)
Total	65,000,000	56,279,648	(8,720,352)	(13.4%)

On March 3, 2020, San José voters approved Measure E, the Real Property Transfer Tax. This new tax, which became effective on July 1, 2020, is imposed at a tiered level for property transfers (sales) over \$2.0 million. In accordance with City Policy 1-18, Section 22, this tax revenue is allocated for the development of new affordable housing, homeless prevention, and homelessness support programs.

In 2022-2023 collections totaled \$56.3 million, which was \$8.7 million, or 13.4%, below the budgeted estimate of \$65.0 million. In addition, 2022-2023 collections were \$53.7 million (48.8%) below the 2021-2022 collection level of \$110.0 million. The high 2021-2022 collection level was due to



several factors. First, due to the timing of when a payment from Santa Clara County was processed, funding of \$9.7 million was reflected in 2021-2022 but was attributable to 2020-2021 activity. In addition, in comparison to the currently constrained real estate market, a larger amount of high-value property transfers occurred in the prior year. In 2023-2024 Real Property Transfer Tax collections are anticipated to further drop to \$50.0 million, due to the continued slow-down in the local real estate market. As this revenue source is significantly impacted by high-value commercial property transactions, if those sales decrease, the tax revenue will be impacted.

In accordance with City Council Policy 1-18, Section 22, revenues generated from Measure E are allocated for the development of new affordable housing, homelessness prevention, and homeless supportive services. As described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions*, due to the 2022-2023 Real Property Transfer Tax collections being \$8.7 million lower than the budgeted estimate, actions to decrease corresponding Measure E allocations, as well as perform various technical adjustments to align expenditure and reserve appropriations in accordance with prior City Council direction are recommended in this report.

II. GENERAL FUND BUDGET PERFORMANCE

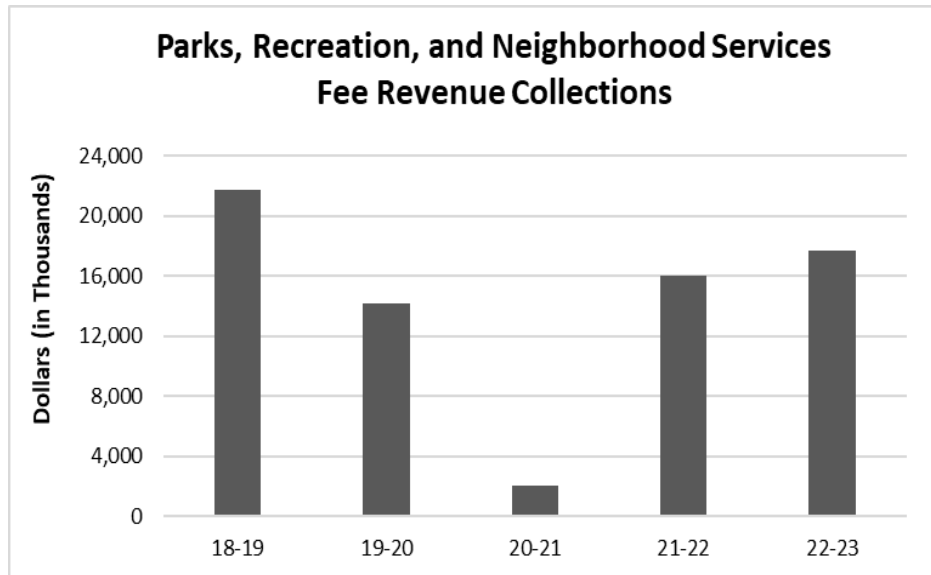
GENERAL FUND REVENUE PERFORMANCE

Fees, Rates, and Charges

Fees, Rates, and Charges	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
PRNS Fees	16,009,879	17,707,000	1,697,121	10.6%
Transportation Fees	2,106,292	1,633,383	(472,909)	(22.5%)
Police Fees	1,243,186	1,178,209	(64,977)	(5.2%)
Library Fees	25,500	78,238	52,738	206.8%
Miscellaneous Fees	2,740,090	2,999,076	258,986	9.5%
Total	22,124,947	23,595,906	1,470,959	6.6%

Revenues in the Fees, Rates, and Charges category include various fees and charges levied to recover costs of services provided by the several City departments, the largest of which are Parks, Recreation, and Neighborhood Services (PRNS) Department Fees. Overall, Fees, Rates, and Charges collections of \$23.6 million were \$1.5 million above the 2022-2023 Modified Budget level and the 2021-2022 collection level of \$22.1 million. This increase in revenue is primarily due to higher fee-related activity within the PRNS Department.

Revenues in the **PRNS Departmental Fee** category include Happy Hollow Park and Zoo; Fee Activity (classes, camps, and after-school activities); Facility Rentals; Sports Facilities Reservations; Lake Cunningham Action Sports Park; Gym and Fitness; Parking; Park Permits; Arcadia Ball Park; Family Camp; and Aquatics Program.



PRNS Department Fee revenue ended the year at \$17.7 million, which is \$1.7 million above the 2022-2023 Modified Budget estimate and the 2021-2022 collection level of \$16.0 million. This large year over year increase in PRNS fee revenue is due to the PRNS fee program continuing to rebound from the deep impact felt by pandemic-related health orders on PRNS fee related programs.

Remaining collections in the Fees, Rates, and Charges category include **Transportation Fees, Police Fees, Library Fees, and Miscellaneous Fees**. In total, departmental revenue (excluding PRNS fees discussed above) ended the year at \$5.9 million, which is slightly below the Modified Budget estimate and the prior year collection level of \$6.1 million.

II. GENERAL FUND BUDGET PERFORMANCE

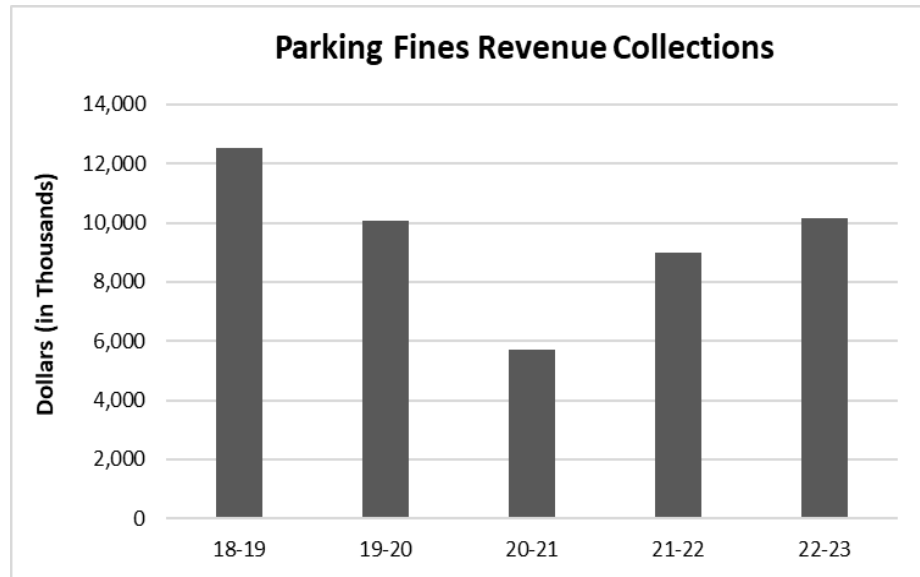
GENERAL FUND REVENUE PERFORMANCE

Fines, Forfeitures and Penalties

Fines, Forfeitures and Penalties	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Parking Fines	8,500,000	10,133,290	1,633,290	19.2%
Vehicle Code Fines	1,000,000	968,625	(31,375)	(3.1%)
Business License Penalties	1,500,000	4,271,934	2,771,934	184.8%
Other Fines and Penalties	1,232,000	1,978,775	746,775	60.6%
Total	12,232,000	17,352,624	5,120,624	41.9%

The primary sources of revenue in the Fines, Forfeitures, and Penalties revenue category are Parking Fines, Vehicle Code Fines, Business License Penalties, and Other Fines and Penalties. Collections of \$17.4 million in this category were \$5.1 million, or 41.9%, above the 2022-2023 Modified Budget estimate of \$12.2 million and \$2.4 million (16.0%) above the prior year collection level. The significant increase in year-over-year revenue is primarily due to higher Business License Penalties and Parking Fines.

Parking Fines, the largest component of this revenue category, ended the year at \$10.1 million, which was \$1.6 million (19.2%) above the 2022-2023 Modified Budget estimate of \$8.5 million and \$1.1 million above 2021-2022 collections. While parking fine revenue experienced a year-over-year increase, collections still remain



below historical Parking Fine collections of approximately \$11 million to \$12 million annually.

Business License Penalties of \$4.3 million ended the year significantly above the budgeted estimate of \$1.5 million and the prior year collection level of \$2.1 million. **Vehicle Code Fines** ended the year at \$969,000, which was \$31,000 below the budgeted estimate and \$201,000 below the prior year collections. The **Other Fines and Penalties** category ended the year at \$2.0 million, which was \$747,000 above the budgeted estimate, but \$771,000 below the prior year collection level.

II. GENERAL FUND BUDGET PERFORMANCE

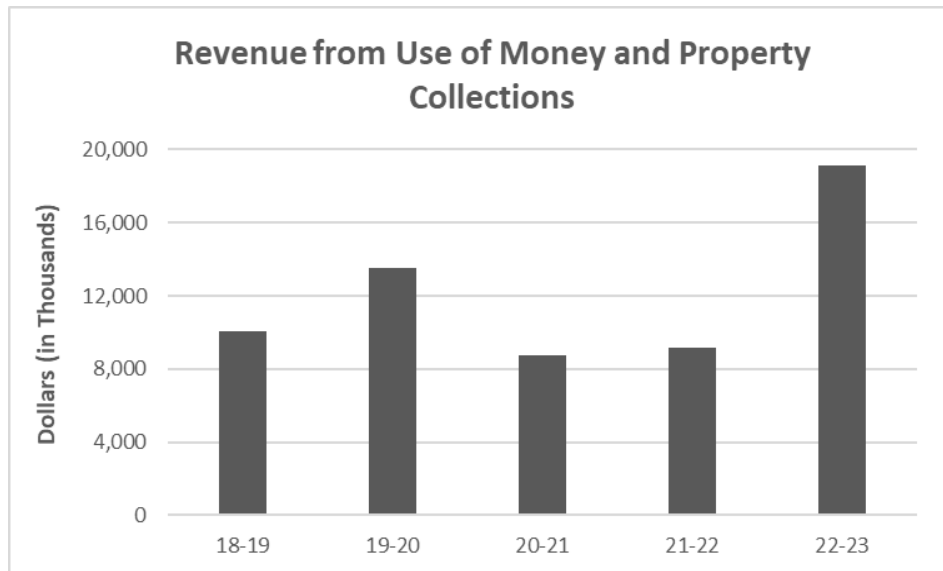
GENERAL FUND REVENUE PERFORMANCE

Revenue from Use of Money and Property

Use of Money and Property	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Interest Earnings	11,200,000	14,716,425	3,516,425	31.4%
City-Owned Property Rentals	3,025,000	2,917,659	(107,341)	(3.5%)
Digital Inclusion Program	819,000	1,104,467	285,467	34.9%
Subrogation Recovery	500,000	146,618	(353,382)	(70.7%)
Other Use of Money/Property	235,000	272,386	37,386	15.9%
Total	15,779,000	19,157,555	3,378,555	21.4%

The Use of Money and Property category primarily consists of interest income earned on the General Fund, rental income from various City properties, and subrogation recovery revenues. Collections of \$19.2 million ended the year \$3.4 million (21.4%) above the 2022-2023 budgeted estimate and \$10.0 million above the 2021-2022 collection level. The year-over-year increase is primarily attributable to higher interest earnings on the General Fund, which is the largest component of this revenue category.

Interest income of \$14.7 million was 31.4% above the budgeted level of \$11.2 million, and significantly above the prior year collection of \$4.6 million. This increase is primarily due to rising interest rates and higher cash balances.



Remaining collections in this category include **City-Owned**

Property Rentals, which totaled \$2.9 million in 2022-2023, \$107,000 below budgeted levels. **Digital Inclusion Program** revenue of \$1.1 million was \$285,000 above the budgeted estimate, which reflects higher lease revenue received for City-owned light poles from wireless carriers. **Subrogation Recovery** and **Other Uses of Money and Property** ended the year at \$419,000, which was \$316,000 below the budgeted levels.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Revenue from Local Agencies

Revenue from Local Agencies	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Central Fire District	8,850,000	9,335,930	485,930	5.5%
Paramedic Program	3,000,000	4,682,594	1,682,594	56.1%
Police BART Reimbursement	2,101,942	2,099,850	(2,092)	(0.1%)
Other Local Agency Payments	9,894,206	9,378,816	(515,390)	(5.2%)
Total	23,846,148	25,497,190	1,651,042	6.9%

The Revenue from Local Agencies category contains revenue received from a variety of other local government agencies. The largest sources of revenue are the Central Fire District for fire services provided to County residents by the San José Fire Department, County of Santa Clara for the Paramedic Program, and the Valley Transportation Authority (VTA) reimbursement for police services at the Berryessa Bay Area Rapid Transit (BART) station.

Revenue collections of \$25.5 million ended the year \$1.7 million (6.9%) above the budgeted estimate of \$23.8 million, which was primarily due to higher Paramedic Program collections. Additionally, 2022-2023 local agency revenue was \$741,000, or 3.0%, above the 2021-2022 collection level. The year-over-year increase in revenue is primarily attributable to higher Paramedic Program and Central Fire District payments.

In 2022-2023, **Central Fire District** payments of \$9.3 million ended the year \$486,000 (5.5%) above the budgeted estimate and \$656,000 above the prior year collection level of \$8.7 million. These payments represent property taxes collected by the Central Fire District for areas of the County served by the San José Fire Department. The year-over-year increase of payments is due to the change in Property Tax valuation in those areas.

Reimbursement from the County of Santa Clara for the first responder advanced life support program (**Paramedic Program**) of \$4.7 million was \$1.7 million (56.1%) above the budgeted estimate, and \$2.5 million above the 2021-2022 collection level of \$2.2 million. This increase is primarily due to the timing of payments related to 2021-2022 activity being received and accounted for in the 2022-2023 collections. The 2022-2023 receipts included the equipment reimbursement component (Annex B, Category A; \$2.6 million) and service-related component (Annex B, Category B; \$2.1 million) and are reflective of the Fire Department's improved response times for emergency medical service calls.

The 2023-2024 Adopted Budget included the rebudget of revenues for various local grants and reimbursements in the amount of \$319,000. In addition, rebudget adjustments totaling \$20,000 are recommended in this report to account for revenues that were not received 2022-2023, but are now anticipated to be received in 2023-2024. Additional information on the rebudget of local agency revenue, as well as budget actions to recognize new grants and reimbursements are described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Revenue from the State of California

Revenue from State of California	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Tobacco Settlement	11,800,000	10,714,304	(1,085,696)	(9.2%)
Motor Vehicle In-Lieu Tax	1,100,000	1,521,131	421,131	38.3%
State Grants	18,246,950	3,866,452	(14,380,498)	(78.8%)
Other State Revenue	3,389,065	3,810,744	421,679	12.4%
Total	34,536,015	19,912,631	(14,623,384)	(42.3%)

The Revenue from the State of California category contains Tobacco Settlement Revenue, State Grants, and Other State Revenue. In 2022-2023, Revenue from the State of California totaled \$19.9 million, which is \$14.6 million (42.3%) below the 2022-2023 Modified Budget estimate of \$34.5 million. This variance is primarily due to the timing of grant revenue payments.

The Tobacco Settlement revenue, which is the largest revenue source in this category, totaled \$10.7 million in 2022-2023, which was \$1.1 million below the budgeted estimate and the prior year collection level of \$11.8 million. State grants and other reimbursements totaled \$9.2 million; \$13.5 million below the 2022-2023 Modified Budget estimate, which was the result of a timing difference of many grants (and their associated expenditures).

The 2023-2024 Adopted Budget included the rebudget of revenues and associated expenditures for various State grants in the amount of \$2.9 million. In addition, rebudget adjustments totaling \$11.3 million are recommended in this report to account for revenues that were not received in 2022-2023, but are now anticipated to be received in 2023-2024, the largest of which is the California for All Youth Workforce grant. Additional information on the rebudget of State grants, as well as budget actions to recognize new grants and reimbursements are described in *Section IV - Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

Revenue from the Federal Government

Revenue from Federal Government	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
Federal Grants	11,477,963	4,962,143	(6,515,820)	(56.8%)
Total	11,477,963	4,962,143	(6,515,820)	(56.8%)

The Revenue from the Federal Government category contains various federal grants and reimbursements. In 2022-2023, Revenue from the Federal Government of \$5.0 million was \$6.5 million (56.8%) below the budgeted estimate of \$11.5 million. The negative variance from the 2022-2023 Modified Budget estimate was primarily the result of the timing of various grants (and their associated expenditures) where the work was not yet completed in 2022-2023, or was completed but the reimbursement revenue has not yet been received.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Revenue from the Federal Government

The 2023-2024 Adopted Budget included the rebudget of revenues and associated expenditures for various Federal grants in the amount of \$5.4 million. In addition, rebudget adjustments totaling \$1.2 million are recommended in this report to account for revenues that were not received 2022-2023, but are now anticipated to be received in 2023-2024. Additional information on the rebudget of Federal grants, as well as budget actions to recognize new grants and reimbursements are described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

Other Revenue

Other Revenue	2022-2023 Budget (\$)	2022-2023 Actuals (\$)	2022-2023 Variance (\$)	2022-2023 Variance (%)
TRANS Proceeds	275,000,000	275,000,000	-	0.0%
Fire Training Center Property	4,200,000	4,239,437	39,437	0.9%
Miscellaneous Grants	3,518,009	3,309,654	(208,355)	(5.9%)
Other Revenue	9,440,620	8,700,029	(740,591)	(7.8%)
Total	292,158,629	291,249,120	(909,509)	(0.3%)

The Other Revenue category contains a number of unrelated revenue sources and totaled \$291.2 million in 2022-2023, which was 0.3% below the Modified Budget estimate of \$292.2 million.

The 2023-2024 Adopted Budget included the rebudget of revenues and associated expenditures for various grants in the amount of \$75,000. In addition, rebudget adjustments totaling \$391,000 are recommended in this report to account for revenues that were not received 2022-2023, but are now anticipated to be received in 2023-2024. Additional information on the rebudget of grants and other revenue, as well as budget actions to recognize new grants and reimbursements are described in *Section IV - Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND REVENUE PERFORMANCE

Summary

In 2022-2023, total revenue received in the General Fund was \$1.70 billion. This collection level was within 0.3%, or \$4.9 million, of the 2022-2023 Modified Budget. After adjusting for reconciling items, rebudgets, and other clean-up actions, revenues ended the year \$23.3 million (1.4%) above the 2022-2023 Modified Budget estimate. This is an extremely small variance given the diversity of over 450 City revenues, the overall size of the General Fund, the changing economic conditions, including higher levels of inflation.

The 2022-2023 collection level of \$1.70 billion was \$35.8 million, or 2.1%, below the actual 2021-2022 collections of \$1.74 billion. Lower 2022-2023 collections were received from Real Property Transfer Tax (\$53.7 million), Transfers from Other Funds (\$37.3 million), and Other Revenue (\$38.0 million). The lower Real Property Transfer Tax revenue reflects a more constrained real estate market in 2022-2023, compared to 2021-2022. The year-over-year decrease in the Transfers category is primarily due to the American Rescue Plan Fund transfer to the General Fund totaling \$53.8 million in 2021-2022, which is significantly higher than the 2022-2023 transfer of \$16.0 million. These transfers account for City-wide revenue loss that was attributable to the pandemic, in accordance with U.S. Treasury Department regulations. Finally, Other Revenue dropped by \$38.0 million primarily due to Lease Revenue Bond proceeds of \$15.0 million being received in 2021-2022, higher Tax and Revenue Anticipation Notes (TRANs) revenue being issued in 2021-2022 (\$10.0 million), and larger grant revenue being received in 2021-2022 (\$8.8 million). Partially offsetting the lower receipts in these categories were year-over-year increases for Property Tax (\$34.9 million), Sales Tax (\$20.3 million), and Utility Tax (\$20.7 million). These revenues experienced year-over year growth due to several factors including strong economic activity and higher utility rates.

Revenue across most General Fund categories have been performing positively over the past year. However, due to economic uncertainties that impact many revenue categories including Sales Tax and Real Property Transfer Tax categories, the Administration will continue to actively monitor economic indicators and revenues in 2023-2024 through the Bi- Monthly Financial Report and the Mid-Year Budget Review process, and return to the Mayor and City Council with recommendations for any revisions, if necessary.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

The General Fund expenditure performance for 2022-2023 is discussed in detail in this section. This includes an overview of the General Fund expenditure performance, a discussion of significant departmental variances, and highlights of the non-departmental expenditures.

Overview

TABLE B
2022-2023 GENERAL FUND EXPENDITURE SUMMARY
COMPARISON OF BUDGET TO ACTUAL

Category	2022-2023 Modified Budget*	2022-2023 Actual**	Variance	% Variance
Personal Services	\$ 899,171,816	\$ 887,824,518	\$ (11,347,298)	(1.3%)
Non-Personal/Equipment/Other ¹	220,404,221	194,846,850	(25,557,371)	(11.6%)
City-Wide Expenses	748,714,795	518,580,503	(230,134,292)	(30.7%)
Capital Contributions	73,614,946	37,665,210	(35,949,736)	(48.8%)
Transfers	37,810,639	37,810,639	0	0.0%
Reserves	341,919,935	0	(341,919,935)	(100.0%)
TOTAL GENERAL FUND	\$ 2,321,636,352	\$ 1,676,727,720	\$ (644,908,632)	(27.8%)

* 2022-2023 appropriations as modified by Council through June 30, 2023, and 2021-2022 carryover encumbrances.

** Actual 2022-2023 expenses plus encumbrances.

As shown in Table B, General Fund expenditures and encumbrances through June 30, 2023 of \$1.7 billion were \$644.9 million, or 27.8%, below the modified budget total of \$2.3 billion. Approximately 53% of this savings was generated from unspent reserves (\$341.9 million), with the remaining savings generated from expenditure appropriations. Total 2022-2023 expenditures and encumbrances were \$70.0 million, or 4.4%, above the 2021-2022 level of \$1.6 billion. This variance is due to higher City-Wide Expenses (\$100.9 million), Non-Personal/Equipment/Other (\$19.1 million), and Transfers (\$7.4 million), partially offset by lower Personal Services (\$38.3 million) and Capital Contributions (\$19.2 million).

¹ The "Other" category expenditures are primarily comprised of budgets for the Mayor and City Council as well as the Parks, Recreation and Neighborhood Services fee activities program.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Overview

As shown in Table C, the actual General Fund expenditures of \$1.7 billion were approximately \$15.7 million (0.9%) below the estimate used in the development of the 2023-2024 Adopted Budget. As part of the 2023-2024 Adopted Budget, a portion of these savings (\$5.6 million) was carried over to 2023-2024 with the accompanying revenue for grant or reimbursement-related projects and programs, or were savings assumed as part of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance (\$27.2 million). After accounting for these adjustments, the variance is reduced to \$10.1 million. In addition, actions totaling \$3.9 million are recommended in this report to reflect rebudget and clean-up adjustments. After accounting for these actions, the remaining General Fund expenditures savings totaled \$6.2 million, or 0.3% of the 2022-2023 Modified Budget.

TABLE C
2022-2023 EXPENDITURE ESTIMATE TO ACTUAL VARIANCES

	2022-2023 Estimate	2022-2023 Actual	\$ Variance	% Variance
Expenditures	\$1,692,444,257	\$1,676,727,720	\$(15,716,537)	(0.9%)

These net expenditure savings, when combined with the net variance associated with the General Fund revenues and higher than anticipated liquidation of prior year encumbrances, represent the additional ending fund balance that is available for allocation in 2023-2024. Specifically, as discussed earlier in this report, in 2023-2024, a total of \$18.6 million in additional fund balance is available, which is comprised of higher than estimated revenues of \$23.3 million, net expenditure savings of \$6.2 million, and a negative liquidation of prior year encumbrances (\$11.0 million) that was the result of transferring the American Rescue Plan encumbrances to the General Fund. Recommendations on the allocation of these additional funds are provided elsewhere in this report.

Following is a review of the General Fund expenditure categories, including a discussion of variances to the modified budget as well as a comparison to the prior year.

Personal Services expenditures of \$887.8 million ended the year \$11.3 million (1.3%) below budgeted levels, primarily due to vacancy savings, and \$38.3 million (4.1%) below the 2021-2022 expenditure levels of \$926.1 million. The reduction in Personal Services expenditures in comparison to 2021-2022 is primarily attributable to the reallocation of \$87.9 million of Police Department Personal Services costs from the General Fund to the American Rescue Plan Fund resulting from the City Council action on May 25, 2023, as previously described in this report. It is important to note that the reallocation of Police Department expenses was accompanied by an equal shift of community and economic recovery projects from the American Rescue Plan Fund to the General Fund – the total available budget for the Police Department and the various community and economic recovery workstreams remained unchanged. Departments with the highest variances in 2022-2023 include the following: Parks, Recreation and Neighborhood Services Department (\$3.8 million); Information Technology Department (\$1.7 million); Planning, Building and Code Enforcement Department (\$1.4 million); and Police Department (\$1.3 million).

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Overview

Non-Personal/Equipment/Other expenditures of \$194.8 million ended the year \$25.6 million (11.6%) below budgeted levels, but \$19.1 million (10.9%) above the 2021-2022 expenditure level of \$175.7 million. The departments with the largest Non-Personal/Equipment/Other variances included: Police Department (\$7.7 million); Parks, Recreation and Neighborhood Services Department (\$3.5 million, including Fee Activities); Information Technology Department (\$2.3 million); Transportation Department (\$2.0 million); and City Manager's Office (\$1.8 million). The Mayor and City Council appropriations also ended the year \$3.5 million below the modified budget. The majority of the Non-Personal/Equipment/Other savings were rebudgeted to 2022-2023 as part of the 2023-2024 Adopted Budget (\$17.0 million) or are recommended to be rebudgeted in the Annual Report (\$1.4 million), resulting in net savings of \$7.1 million.

In the City-Wide Expenses category, expenditures and encumbrances of \$518.6 million ended the year \$230.1 million below the budgeted level of \$748.7 million. Of this amount, \$212.5 million was rebudgeted in the 2023-2024 Adopted Budget (including \$5.5 million that was offset by revenue sources); and additional rebudgets or technical clean-ups of \$1.6 million are recommended in this report, leaving a balance of \$16.0 million. Of this balance amount, \$3.0 million was assumed as savings in the development of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance estimate, resulting in a balance of \$13.0 million. The 2022-2023 City-Wide Expenses were \$100.9 million above the 2021-2022 expenditure level of \$417.7 million, in large part due to the reallocation of expenditures from the American Rescue Plan Fund to the General Fund, as described above.

In the Capital Contributions category, expenditures of \$37.7 million ended the year \$35.9 million below the budgeted level of \$73.6 million. A total of \$34.1 million was rebudgeted to 2023-2024 in the Adopted Budget, with a remaining available savings amount of \$1.8 million. As part of this report, additional rebudget or technical clean-up adjustments totaling \$1.5 million are recommended, reducing the Capital balance to \$320,000. Savings of \$3.0 million was assumed in the development of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance estimate; however, this savings was not realized due to higher than anticipated expenditures. The 2022-2023 expenditure level of \$37.7 million was \$19.2 million below the 2021-2022 level of \$56.8 million.

The Transfers category expenditures of \$37.8 million ended the year at the budgeted amount.

The largest single category of remaining funding available in 2022-2023, as planned, is the Reserves category (\$341.9 million), including Earmarked Reserves (\$268.2 million), the 2022-2023 Ending Fund Balance Reserve (\$27.7 million), and the Contingency Reserve (\$46.0 million). No reductions to the \$46.0 million Contingency Reserve occurred in 2022-2023.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Review of General Fund Expenditure Performance

This section provides more detailed information on the departmental and non-departmental performance, including a discussion of significant variances.

Departmental expenditures (\$1.1 billion) represented almost 65% of the total 2022-2023 General Fund expenditures. As can be seen in Table D on the following page, all departments remained within their total budget allocation and expended a cumulative 96.7% of their budgets, generating overall savings of \$36.9 million (3.3%). Of this amount, \$18.5 million was rebudgeted in the 2023-2024 Adopted Budget; additional rebudgets and technical clean-up adjustments of \$1.5 million are recommended in this report, leaving a balance of \$16.9 million. Savings of \$21.2 million was assumed in the development of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance estimate; however, this savings was not realized due to higher than anticipated expenditures.

Of the 19 City departments/offices, 15 had expenditure savings of less than \$1.0 million and 10.0% of their budget. The remaining four departments/offices had expenditure savings in excess of \$1.0 million and 10% of their budget in 2022-2023, and included the following: Environmental Services; Information Technology; Mayor and City Council; and Planning, Building and Code Enforcement. Those departments with General Fund expenditure variances of over 10.0% and \$1.0 million are discussed in detail in the following section. In addition, the year-end status of expenditures for both the Police and Fire Departments is also summarized.

Non-Departmental expenditures totaled \$594.1 million, or approximately 35% of the total 2022-2023 General Fund expenditures. The unexpended balance at year-end totaled \$608.0 million; reserves of \$341.9 million represent the largest portion of unexpended funds and were almost entirely carried over or used in the 2023-2024 Adopted Budget as planned. Excluding reserves, the unexpended non-departmental balance at year-end totaled \$266.1 million. As discussed previously, rebudgets for City-Wide Expenses and Capital Contributions categories totaling \$246.6 million were included in the 2023-2024 Adopted Budget, savings of \$6.0 million was assumed in the development of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance estimate, and \$2.4 million in rebudget and technical clean-up adjustments are recommended in this report.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Review of General Fund Expenditure Performance

**TABLE D
TOTAL GENERAL FUND EXPENDITURES**

Departmental	2022-2023 Modified Budget	2022-2023 Expenditures	\$ Variance	% Variance
City Attorney	\$ 20,326,160	\$ 20,013,451	\$ (312,709)	(1.5%)
City Auditor	2,807,980	2,500,398	(307,582)	(11.0%)
City Clerk	3,314,171	3,308,986	(5,185)	(0.2%)
City Manager	24,117,590	22,101,640	(2,015,950)	(8.4%)
Economic Development	6,804,578	6,594,426	(210,152)	(3.1%)
Environmental Services	5,852,562	4,682,356	(1,170,206)	(20.0%)
Finance	23,042,339	21,228,313	(1,814,026)	(7.9%)
Fire	282,667,407	281,250,843	(1,416,564)	(0.5%)
Housing	763,206	642,740	(120,466)	(15.8%)
Human Resources	13,319,093	12,826,941	(492,152)	(3.7%)
Independent Police Auditor	1,615,831	1,203,337	(412,494)	(25.5%)
Information Technology	33,500,052	29,501,796	(3,998,256)	(11.9%)
Library	43,299,346	43,148,438	(150,908)	(0.3%)
Mayor and City Council	17,933,782	14,417,791	(3,515,991)	(19.6%)
Parks, Recreation & Neighborhood Services	105,557,591	98,310,808	(7,246,783)	(6.9%)
Planning, Building & Code Enforcement	17,997,341	15,556,158	(2,441,183)	(13.6%)
Police	422,562,447	413,538,345	(9,024,102)	(2.1%)
Public Works	48,310,845	48,215,119	(95,726)	(0.2%)
Transportation	45,783,716	43,629,482	(2,154,234)	(4.7%)
Subtotal	1,119,576,037	1,082,671,368	(36,904,669)	(3.3%)
<hr/>				
Non-Departmental				
City-Wide Expenses	748,714,795	518,580,503	(230,134,292)	(30.7%)
Capital Contributions	73,614,946	37,665,210	(35,949,736)	(48.8%)
Transfers	37,810,639	37,810,639	-	0.0%
Earmarked Reserves	268,244,935	-	(268,244,935)	(100.0%)
Contingency Reserve	46,000,000	-	(46,000,000)	(100.0%)
Ending Fund Balance Reserve	27,675,000	-	(27,675,000)	(100.0%)
Subtotal	1,202,060,315	594,056,352	(608,003,963)	(50.6%)
TOTALS	\$ 2,321,636,352	\$ 1,676,727,720	\$ (644,908,632)	(27.8%)

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

Following is a discussion of those departments with significant variances and a summary of the performance in the City's two largest General Fund departments, Police and Fire.

Police Department

On an overall basis, Police Department expenditures totaled \$413.5 million, or 97.9% of its General Fund budget of \$422.6 million, including encumbrances, resulting in savings of \$9.0 million. Of these savings, \$6.9 million was rebudgeted as part of the 2023-2024 Adopted Budget.

Due to Federal debt ceiling negotiations between the President and the U.S. Congress that had the potential to claw back any unobligated American Rescue Plan funding, on May 25, 2023, the City Council approved the reallocation of funding with the American Rescue Plan Fund and the General Fund to ensure the completion of community and economic recovery activities previously authorized by the City Council. These actions included reductions in Personal Services budget and expenditures of Police Department personal services costs from the General Fund to the American Rescue Fund. It is important to note that the reallocation of Police Department expenses was accompanied by an equal shift of community and economic recovery projects from the American Rescue Plan Fund to the General Fund – the total available budget for the Police Department and the various community and economic recovery workstreams remained unchanged.

Personal Services expenditures totaled \$376.8 million (99.7% expended) with savings of \$0.8 million after accounting for rebudgets, which closely aligned to year-end estimates and budget actions to increase Personal Services funding by \$5.0 million. Prior to these adjustments, Personal Services expenditures were estimated to exceed budgeted levels by approximately 1%, primarily due to elevated overtime usage and payouts.

The Department continued to experience elevated sworn overtime usage and payouts during 2022-2023 with expenditures of \$55.5 million accounting for 96.9% of the Police Department's 2022-2023 Modified Budget for overtime of \$57.3 million, 21.0% above 2021-2022 levels. Overtime hours in 2022-2023 increased by approximately 14.7% over the previous year, from 502,726 to 576,483. The elevated overtime usage is attributable to backfilling of vacant street-ready sworn positions with existing staff.

A total of \$36.7 million (82.6%) of the Department's Non-Personal/Equipment budget (including encumbrances) was expended, generating savings of \$7.7 million. Excluding the remaining balances for centrally-determined details (\$2.6 million) – which include electricity, gas, and water utilities, as well as vehicle operations, maintenance and replacement – the Police Department ended the year with approximately \$5.2 million, or 11.6%, of its Non-Personal/Equipment appropriation remaining, with the majority of this balance rebudgeted as part of the Adopted Budget and in this document for activities continuing into 2023-2024.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

Overtime consists of both overtime expenditures and compensatory time. The Memorandum of Agreement (MOA) with the Police Officer's Association (POA) limits how much overtime can be earned for pay versus compensatory time. The Police Department continues to diligently work to fill vacancies in both sworn and civilian positions. While the goal is to fill vacancies and eliminate the need to backfill positions, the normal duration for the academy and field training is approximately 10-12 months, requiring overtime to backfill vacancies in patrol until the new recruits are ready to serve as solo beat officers. Effective vacancy levels, which includes vacancies, field training officers, academy recruits, and sworn personnel on disability, modified, or other leaves, reduce the amount of street-ready sworn officers available and is the most significant contributing factor to overtime usage. The effective vacancy rate was 21.5% as of June 30, 2023. Historically, the effective vacancy rate has averaged 20.4% (based on the 5-year period between 2017-2018 and 2021-2022), resulting in the buildup of compensatory time balances for sworn personnel, for which there is a limit of 480 hours after which sworn personnel are paid in overtime for any additional hours worked.

In accordance with the POA MOA, the Police Department is enforcing compensatory time controls by requiring all sworn staff, outside of the Bureau of Field Operations (BFO), to reduce compensatory time balances by the end of each calendar year, or to submit a request for an extension and to prioritize compensatory time as requested time off (outside of sick leave purposes). On November 22, 2021, the Chief issued an order to reduce compensatory time balances for any sworn staff member who believes they will not be able to take the excess time off before the end of the calendar year. This order requires sworn staff to submit a plan to their immediate supervisor each year, consistent with MOA section 13.6.5.1, by December 1, excluding sworn staff assigned to Patrol. Each plan must outline how a sworn staff member will reduce their compensatory time by March 31. This direction is intended to reduce the number of officers reaching the 480-hour limit. The plans have been implemented, but due to the needs of the Department (staffing, workload, and specific assignments), there has been limited flexibility in allowing staff to take time off; however, the Department has seen a large majority of individuals taking at least a portion of their excess time off, which has contributed to a reduction in compensatory time hours across the Department. Additionally, on December 13, 2022, the City Council approved a new POA MOA which contains a provision to require all vacation requests for an employee whose compensatory time balance has reached 300 hours to come from the employee's compensatory time balance until the balance falls below 240 hours. Finally, the Police Chief's Office and City Manager's Office are meeting to identify more detailed trends and alternative approaches around workload and overtime that account for the need to ensure appropriate levels of public safety response while also managing within existing budgetary levels, especially given the growing number of vacant sworn positions and smaller than desired recruit academies.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

	June 2022	June 2023	% Change from 2022 to 2023	% Change from 2021 to 2022
# of Sworn Personnel at 480-hour limit	435	385	(11.5%)	(3.1%)
# of Sworn Personnel between 240 and 480 hours	294	335	13.9%	6.9%
Sworn Compensatory Time Balance Liability (hours)	353,242	345,354	(2.2%)	(0.8%)
Sworn Compensatory Time Balance Liability (\$)	\$27.0 M	\$28.9 M	6.9%	(0.2%)
YTD Overtime Expenses for Staff at 480-hour limit (\$)	\$18.8M	\$22.5M	19.8%	(2.4%)

The table below provides a summary of sworn staffing vacancies and street-ready officers. There are currently two active academies, February 2023 (15 recruits expecting to graduate in September 2023) and the June 2023 (27 recruits). The June 2022 academy graduated on February 3, 2023 with 22 officers and the October 2022 academy graduated on May 26, 2023 with 19 officers. As of June 30, 2023, of the 1,173 authorized sworn staff, 82 were in training (7.0%) and 73 were on disability/modified duty/other leaves (6.2%).

	2021-2022 (as of 07/01/2022)	2022-2023 (as of 06/30/2023)
Authorized Sworn Positions	1,153	1,173
(Vacancies)/Overstaff	(13)	(97)
Filled Sworn Positions¹	1,140	1,076
Field Training Officer/Recruits	(87)	(82)
Street-Ready Sworn Officers Available	1,053	994
Disability/Modified Duty/Other Leaves	(93)	(73)
Street-Ready Sworn Officers Working	961	921

¹ Filled sworn positions and authorized sworn positions may vary due to vacancies or the approval of over-strength (temporary) positions. The Police Department has special authority under the City's Sworn Hire Ahead Program to overstaff sworn positions to get a head start on training recruits due to retirement and other separation.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

Fire Department

Overall, the Fire Department expended \$281.3 million (99.5%) of its 2022-2023 Modified General Fund Budget, resulting in savings of \$1.4 million, of which \$352,870 was rebudgeted during the development of the 2023-2024 Adopted Operating Budget. Personal Services expenditures totaled \$268.3 million, or 99.8% of the total budget (\$268.9 million, which was increased by \$1.6 million at year-end), ending the fiscal year with savings of \$607,597. Non-Personal/Equipment expenditures and encumbrances totaled \$13.0 million, or 94.1% of the total budget (\$13.8 million), resulting in savings of \$808,966, of which \$298,870 (36.9%) was rebudgeted for activities continuing into 2023-2024.

Since the release of a 2001 Overtime Audit, information has been provided on the Fire Department's annual vacancy and absence rates and their impact on overtime usage. Through 2011-2012, this information was reported to the Public Safety, Finance and Strategic Support (PSFSS) Committee. The Administration's recommendation to incorporate the Fire Department's annual vacancy and absence rates and their impact on overtime into the Annual Report was approved by the PSFSS Committee on March 21, 2013. Overall, the average sworn vacancy rate of 6.81% through June 2023 is higher than the vacancy rate of 5.84% experienced this time last year, and above the budgeted rate of 2.5%.

The Fire Department successfully hired 37 Firefighters in 2022-2023: Firefighter Recruit Academy 22-01 was completed in November 2022 with 12 graduates; Firefighter Academy 22-02 was completed in February 2023 with 10 graduates; and, concurrently, the Department used funding approved in the 2021-2022 Annual Report to conduct their first Lateral Firefighter Recruit Academy (Academy 23-01), which successfully added 15 Firefighter/Paramedics to the organization in May 2023.

In accordance with the City Council's approval of a March 2010 report on annual vacancy and absence rates, the Fire Department has committed to limiting administrative assignments for sworn administrative personnel for overtime control purposes. As of the end of June, of the 30 current authorized staffing level, the Fire Department had 30 sworn personnel on administrative assignments.

Overtime funding and relief staffing levels are also reviewed annually to ensure they are appropriately measured, funded, and managed for sworn minimum staffing requirements. Understanding absence and vacancy rates is important as absence rates are a major personal services cost driver and the associated impact on overtime requires close departmental management. During 2022-2023, overtime was primarily used to backfill vacancies and absences of line duty positions (vacation, modified duty, sick, disability, and other absences) and for deployments.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

Fire Department

Mutual Aid and Strike Team resources were deployed to assist with 12 wildland fires across California. Reimbursements from the State of California for deployments were received in the amount of \$2.6 million. Additional reimbursements (\$13,974) were received from the Federal Emergency Management Agency for Task Force 3 Trainings. The Department additionally maintained 190 daily minimum line positions to staff all fire companies at 34 operating fire stations in 2022-2023. Daily absences and/or vacant positions are backfilled by available relief personnel or off-duty personnel are called in to work (on overtime). Maintaining this daily minimum staffing level optimized operational effectiveness and was in conformance with the Memorandum of Agreement between the City of San José and International Association of Firefighters (IAFF), Local 230. Total absence hours of 376,781 in 2022-2023 decreased by approximately 10.3% from 420,000 in 2021-2022.

Environmental Services

With 2022-2023 expenditures of \$4.7 million, including encumbrances, the Environmental Services Department expended 80.0% of their \$5.9 million General Fund budget, resulting in savings of \$1.2 million. Personal services expenditures were 89.6% expended with savings of \$303,000, which is primarily attributable to several vacancies in the Climate Smart program and Watershed Protection Division.

Non-personal/equipment expenditures ended the year at 70.5% expended or encumbered, or \$867,000 below the budgeted level of \$2.9 million, including encumbrances. This savings is primarily attributable to savings in the Climate Smart program, Municipal Environmental Compliance, and the Watershed Protection Division General Funded activities. Due to staffing vacancies, there were delays in project implementation and delivery in 2022-2023 resulting in savings. Unexpended one-time funding from the Climate Smart program totaling \$201,000 (\$150,000 included as part of the 2023-2024 Adopted Budget process and \$51,000 recommended in this report) has been rebudgeted from 2022-2023 to 2023-2024 to ensure designated Climate Smart program activities are performed.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

Information Technology

Information Technology Department (ITD) expenditures, including encumbrances, totaled \$29.5 million in 2022-2023. This expenditure level is \$4.0 million, or 11.9%, below the budgeted level of \$33.5 million. Personal services expenditure savings (including fee activity) totaled \$1.7 million in 2022-2023, which was primarily due to vacancies throughout the Department. At the end of 2022-2023, there were 18 vacant positions (16.5% vacancy rate). Non-personal/equipment expenditures and encumbrances totaling \$13.8 million ended the year \$2.3 million below the budgeted level; the savings was the result of non-essential spending savings, including technology projects, training, upgrades, contractor work, and replenishing inventories. A significant portion of this savings (\$1.9 million) was rebudgeted as part of the 2023-2024 Adopted Budget for the Emergency Operations Center and Communication Room FF&E, IT Project Management, and Development Services Dues and Subscriptions. After accounting for the rebudgets captured in the 2023-2024 Adopted Budget and 2022-2023 Annual Report, remaining non-personal/equipment savings totaled \$399,000.

Mayor and City Council

With total expenditures and encumbrances of \$14.4 million, the Mayor’s Office, the City Council Offices, and Council General expended 80.4% of their total General Fund budgets of \$17.9 million, resulting in savings of \$3.5 million at year-end. Of the total savings, \$3.0 million was realized in the City Council Offices, \$539,000 was realized in the Mayor’s Office, and \$4,000 was realized in Council General as outlined in the following table:

2022-2023 Actual Expenditure Performance

	2022-2023 Modified Budget	2022-2023 Actuals	Variance
Council District 1	\$ 1,263,194	\$ 1,007,159	\$ 256,035
Council District 2	1,009,844	926,007	\$ 83,837
Council District 3	1,023,962	890,443	\$ 133,519
Council District 4	1,642,689	999,355	\$ 643,334
Council District 5	1,358,699	1,064,944	\$ 293,755
Council District 6	1,348,763	1,163,354	\$ 185,409
Council District 7	1,263,584	946,421	\$ 317,163
Council District 8	1,068,868	857,627	\$ 211,241
Council District 9	1,496,069	1,065,436	\$ 430,633
Council District 10	1,295,481	877,109	\$ 418,372
Mayor’s Office	5,108,749	4,570,104	\$ 538,645
Council General	53,880	49,832	\$ 4,048
	\$ 17,933,782	\$ 14,417,791	\$ 3,515,991

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Discussion of Significant Departmental Variances and Other Issues

Mayor and City Council

In the 2023-2024 Adopted Budget, anticipated 2022-2023 savings of \$3.1 million (\$2.86 million in the City Council Offices and \$268,000 in the Mayor's Office) were rebudgeted. Actual year-end savings, however, exceeded these estimates. Based on year-end performance, additional rebudgets totaling \$389,000 are recommended in this report.

Planning, Building and Code Enforcement

The Planning, Building and Code Enforcement Department (PBCE) ended the year at \$15.6 million expended, which is \$2.4 million below the 2022-2023 Modified Budget level of \$18.0 million. After accounting for rebudgets included in the 2022-2023 Adopted Operating Budget (\$701,000), the resulting net variance for the Department totals \$1.7 million. Personal services expenditures in 2022-2023 totaled \$14.2 million, which represents 91.1% of the 2022-2023 Modified Budget level of \$15.6 million. The savings are primarily the result of vacant positions in Non-Development Fee Programs (Community Code Enforcement) and Code Enforcement Inspector positions in the Multiple Housing and Solid Waste Code Enforcement Programs. During 2022-2023, PBCE experienced an average vacancy rate of approximately 20%. Non-personal/equipment 2022-2023 expenditures totaled \$1.4 million, which is \$1.0 million (41.7%) below the 2022-2023 Modified Budget of \$2.4 million. Approximately \$701,000 was anticipated and rebudgeted as part of the 2023-2024 Adopted Budget and \$293,000 included in this 2022-2023 Annual Report, bringing the variance down to \$68,000. The remaining savings are due, in part, to contractual services, software license and maintenance, and consultant services.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Highlights of Non-Departmental Expenditures and Variances

The non-departmental categories consist of City-Wide Expenses, Capital Contributions, Transfers, Earmarked Reserves, Contingency Reserve, and the Ending Fund Balance Reserve. An overview of the expenditure performance in these categories is provided below:

TABLE E
2022-2023 NON-DEPARTMENTAL GENERAL FUND EXPENDITURES
(In \$000s)

Category	2022-2023 Modified Budget	2022-2023 Actual	Variance	% Variance
City-Wide Expenses	\$ 748,714,795	\$ 518,580,503	\$ (230,134,292)	(30.7%)
Capital Contributions	73,614,946	37,665,210	(35,949,736)	(48.8%)
Transfers	37,810,639	37,810,639	-	0.0%
Earmarked Reserves	268,244,935	-	(268,244,935)	(100.0%)
Contingency Reserve	46,000,000	-	(46,000,000)	(100.0%)
Ending Fund Balance Reserve	27,675,000	-	(27,675,000)	(100.0%)
TOTAL	\$ 1,202,060,315	\$ 594,056,352	\$ (608,003,963)	(50.6%)

City-Wide Expenses

The City-Wide Expenses category consists of funding that is related to more than one department or that is not directly associated with a department's ongoing operations. Committed expenditures in this category totaled \$518.6 million, or 69% of the 2022-2023 Modified Budget, resulting in savings of \$230.1 million. Of this amount, \$212.5 million was rebudgeted in the 2023-2024 Adopted Budget (including \$5.5 million that was offset by revenue sources); and additional rebudgets or technical clean-ups of \$1.6 million are recommended in this report, leaving a balance of \$16.0 million. Of this balance amount, \$3.0 million was assumed as savings in the development of the 2022-2023 Ending Fund Balance/2023-2024 Beginning Fund Balance estimate, resulting in a balance of \$13.0 million.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Highlights of Non-Departmental Expenditures and Variances

The major ongoing expenditures in the City-Wide Expenses category are detailed below.

- Total Workers' Compensation Claims payments of \$21.5 million were \$1.1 million, or 4.7%, below the 2022-2023 Modified Budget of \$22.6 million. This spending level compares favorably to prior year actuals of \$23.4 million. Workers' Compensation Claims appropriations for the Fire and Police Departments ended the year just below budgeted levels at 2.9% and 3.7% respectively. The remaining Workers' Compensation Claims appropriations for Transportation, Public Works, PRNS, and Other Departments were also within budgeted levels, albeit with slightly more savings (of 8.4%, 9.4%, 13.4%, and 15.3% respectively).
- San José BEST and Safe Summer Initiative Programs expenditures of \$7.1 million were \$866,000, or 10.9%, below the 2022-2023 Modified Budget of \$8.0 million. In comparison, expenditures in 2021-2022 of \$6.2 million were \$1.1 million or 14.8% below the Modified Budget. As part of the development of the 2023-2024 Adopted Budget, an estimated \$445,000 in savings were rebudgeted from 2022-2023 to 2023-2024, with an additional \$132,000 recommended to be rebudgeted as part of this report. If the actions in this report are approved, the 2023-2024 Modified Budget for San José BEST and Safe Summer Initiative Programs would total \$7.3 million.
- Expenditures for Homeless Rapid Rehousing of \$4.9 million ended the year \$940,000 below the 2022-2023 Modified Budget of \$5.9 million but \$2.1 million above the prior year expenditure level of \$2.8 million. As part of the development of the 2023-2024 Adopted Budget, an estimated \$900,000 in savings were rebudgeted from 2022-2023 to 2023-2024, with an additional \$40,000 recommended to be rebudgeted as part of this report. If the actions in this report are approved, the 2023-2024 Modified Budget for Homeless Rapid Rehousing would total \$4.9 million.
- Elections and Ballot Measures expenditures totaled \$4.6 million in 2022-2023, which is 9.1% below the Modified Budget of \$5.0 million and significantly above the 2021-2022 expenditures of \$3,000. The low level of expenditures in 2021-2022 were due to the timing of payments, the County of Santa Clara did not invoice for election costs until 2022-2023. Savings of approximately \$450,000 in 2022-2023 were anticipated and rebudgeted as part of the 2023-2024 Adopted Budget, resulting in a total 2023-2024 Adopted Budget of \$4.3 million. This funding level should be sufficient to cover costs of the general election in November and presidential primary election in March 2024.
- Sick Leave Payments Upon Retirement expenditures of \$3.5 million ended the year \$1.5 million below the annual allocation of \$5.0 million, consistent with prior year expenditures of \$3.4 million, which were \$1.6 million below the 2021-2022 annual allocation of \$5.0 million. The 2023-2024 Modified Budget amount is \$3.35 million.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Highlights of Non-Departmental Expenditures and Variances

- General Liability Claims payments of \$3.4 million were \$13.2 million below the 2022-2023 Modified Budget of \$16.6 million and \$4.5 million below the 2021-2022 expenditure level of \$7.9 million. As part of the 2023-2024 Adopted Budget, an estimated \$13.0 million in savings were rebudgeted from 2022-2023 to 2023-2024, with an additional \$200,000 recommended to be rebudgeted as part of this report. If the actions in this report are approved, the 2023-2024 Modified Budget for General Liability Claims payments would total \$19.2 million.

Capital Projects

In 2022-2023, the General Fund provided funding totaling \$73.6 million for capital projects. Of this amount, approximately \$35.9 million was unexpended at year-end. The projects with the largest unexpended balances included:

Capital Projects	Unexpended Funds (\$000s)
Fire Apparatus Replacement	\$8,336
The Tech Interactive Controls Module Improvements	3,518
Police Athletic League Stadium Turf Replacement	2,789
Closed Landfill Compliance	2,097
Fire Training Center Relocation	1,511
City Hall Rehabilitation Projects	1,055
City Hall Waterproofing	918
City Hall Security Upgrades	898
Police Administration Building Boiler and Chiller Replacement	871
Emergency Power Generation for City Facilities	847
Vehicle Prevention Program	822
City Hall Carpet Replacement	650
City Hall Office Renovation	537
Emergency Operations Center Relocation	405
All Other Projects	10,694
Total Unexpended Capital Projects	35,950

Of the \$35.9 million unexpended at the end of 2022-2023, a total of \$34.1 million was rebudgeted to 2023-2024 in the Adopted Budget, leaving a balance of \$1.8 million. . As part of this report, additional rebudget or technical clean-up adjustments totaling \$1.5 million are recommended, reducing the Capital balance to \$320,000.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Highlights of Non-Departmental Expenditures and Variances

The recommended upward and downward rebudget adjustments as well as augmentations for various appropriations are reflected in *Section IV – Recommended Budget Adjustments and Clean-Up/Rebudget Actions* of this document.

Transfers

In the Transfers category, expenditures of \$37.8 million ended the year at budgeted levels.

Reserves

General Fund Reserve categories include Earmarked Reserves (\$268.2 million), Ending Fund Balance Reserve (\$27.7 million), and the Contingency Reserve (\$46.0 million), which totaled \$341.9 million as of June 30, 2023. The 2023-2024 Adopted Budget assumed that \$342.4 million would be available at year-end, with reserves either re-established in 2023-2024 or used as a funding source for the 2023-2024 Adopted Budget.

Earmarked Reserves

Earmarked Reserves totaled \$268.2 million on June 30, 2023, the largest of which were the: Budget Stabilization Reserve (\$61.0 million); Revenue Loss Reserve (\$60.0 million); Measure E - 15% Homeless Support Programs Reserve (\$30.3 million); Measure E - 30% Low-Income Households Reserve (\$24.6 million); Measure E – 40% Extremely Low Income Households Reserve (\$18.3 million); Workers Compensation / General Liability Catastrophic Reserve (\$15.0 million); Community and Economic Recovery Reserve (\$10.2 million); Salary and Benefits Reserve (\$9.6 million); Information Technology Sinking Fund Reserve (\$6.5 million); Measure E – 10% Homeless Prevention and Rental Assistance Reserve (\$4.1 million); Fire Station FF&E Reserve (\$3.8 million); Google Parking Lots Option Payment Reserve (\$3.8 million); Artificial Turf Capital Replacement Reserve (\$3.4 million); Code Enforcement Permit System Reserve (\$2.8 million); Measure E – 5% Moderate-Income Households Reserve (\$2.1 million); FEMA Non-Reimbursable Expenses Reserve (\$2.0 million); Sick Leave Payments Upon Retirement Reserve (\$2.0 million); Berryessa Flea Market Vendor Business Transition Fund Reserve (\$1.9 million); 2023-2024 Recruitment Centralization Pilot Program Reserve (\$1.1 million); Police Redistricting Implementation Reserve (\$1.0 million); and, the Police Property Facility Relocation Reserve (\$1.0 million). Most of these Earmarked Reserves were either rebudgeted or used as a funding source for development of the 2023-2024 Adopted Budget.

Ending Fund Balance Reserve

The 2022-2023 Ending Fund Balance Reserve of \$27.7 million was proactively set aside to help ensure sufficient fund balance would be available at the end of 2022-2023 to meet the budgeted estimate used for the development of the 2023-2024 Adopted Budget.

II. GENERAL FUND BUDGET PERFORMANCE

GENERAL FUND EXPENDITURE PERFORMANCE

Highlights of Non-Departmental Expenditures and Variances

Annually, as part of the development of the General Fund Forecast and Adopted Budget for the following year, a certain amount of current year unrestricted ending fund balance is estimated to be available at the end of the year as a funding source for the following year's budget. This ending fund balance is expected to be generated from additional revenues above budgeted levels, expenditure savings, and the liquidation of carryover encumbrances during the year. In the 2023-2024 Adopted Budget, it was assumed that \$64.5 million would be generated from these sources. The establishment of the 2022-2023 Ending Fund Balance Reserve at \$27.7 million set aside a portion of this funding, with the assumption that the remaining amount would be realized by year-end.

Contingency Reserve

The City Council has established a budget policy of maintaining a minimum 3% Contingency Reserve in the General Fund. At the end of 2022-2023, the Contingency Reserve totaled \$46.0 million and remained unspent during the year. As part of the development of the 2023-2024 Adopted Budget, the full Contingency Reserve was rebudgeted and increased by \$1.0 million, and actions are included in this report to increase the reserve by \$3.0 million to ensure compliance with the Council Policy of maintaining a minimum 3% Contingency Reserve in the General Fund. It is important to note, however, that if this Contingency Reserve is ever needed, it is only sufficient to cover General Fund payroll expenditures for approximately two weeks in the event of an emergency.

Further reserve adjustments totaling a net decrease of \$353,270 are recommended in this report, including increasing the: Community and Economic Recovery Reserve (\$1.35 million); Solid Waste Code Enforcement Reserve (\$680,000); and, the City Attorney's Office Outside Litigation Reserve (\$510,000). The reallocation of \$500,000 from the Measure E – Interim Housing Maintenance Reserve (15% HSP) is also recommended to the corresponding City-Wide Expenses appropriation to support projected maintenance of interim housing sites. Additional adjustments are recommended to select Measure E reserves to reconcile the corresponding programmatic allocations with prior year revenue performance and expenditure savings (net decrease of \$2.3 million), as well as to reconcile the Artificial Turf Capital Replacement Reserve with associated revenues (-\$97,993).

Recommended expenditure adjustments and clean-up actions can be found in *Section IV – Recommended Budget Adjustments and Clean-Up/Rebudget Actions* of this report. Adjustments are in the following categories: Required Technical/Rebalancing Actions, Grants/Reimbursements/Fees, and Urgent Fiscal/Program Needs as described in detail in the General Fund Recommended Budget Adjustments Summary. In addition, clean-up actions can also be found in this section with a detailed description of recommended actions found in the introduction of that section.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

This section provides financial information on the 2022-2023 year-end performance for selected special and capital funds that represent major City operations. Specifically, it includes discussions regarding the funds' revenue, expenditure, and ending fund balance performances. The funds are discussed in alphabetical order.

The Revenue and Expenditure Performance chart displays the 2022-2023 Modified Budget and Actual revenues and expenditures, with the dollar and percent variance for each. The revenue figures exclude the Beginning Fund Balance and Reserves while the expenditure figures include encumbrances but exclude the Ending Fund Balance and other reserves. The Ending Fund Balance Performance chart displays the 2022-2023 Modified Budget, which includes fund balance and reserves. The 2022-2023 Estimated Ending Fund Balance and Actual Ending Fund Balance also includes reserves, except the reserve for encumbrances. The dollar variance compares the Estimated Ending Fund Balance used to develop the 2023-2024 Adopted Budget with the Actual Ending Fund Balance. The Recommended Annual Report Rebudget Adjustments show the amount of additional rebudgets recommended in this report and calculates the revised variance should recommended rebudgets be approved.

Revenue Performance: This discussion identifies the amount of revenue received in 2022-2023 and major revenue sources; provides context regarding the year-end revenue performance variance to the modified budget; and compares revenues to the prior year performance.

Expenditure Performance: This discussion identifies the amount of expenditures for 2022-2023 and major expenditure categories; provides context regarding the year-end expenditure performance variance to the modified budget; discusses significant capital improvement project variances relative to the size of the capital fund; calculates the revised expenditure variance due to rebudgets approved as part of the 2023-2024 Adopted Budget or as recommended in this report; and compares expenditures to the prior year performance.

Ending Fund Balance Performance: This discussion provides the actual Ending Fund Balance and the estimated Ending Fund Balance used in the development of the 2023-2024 Adopted Budget; discusses variances between these two amounts; and identifies any impact on the 2023-2024 budget related to recommended actions included in this report.

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III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

AIRPORT CAPITAL FUNDS

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$159,097	\$102,951	(\$56,146)	(35.3%)
Expenditures	\$188,356	\$84,981	(\$103,376)	(54.9%)

The Airport Capital Funds include the Airport Capital Improvement Fund, the Airport Revenue Bond Improvement Fund, the Airport Renewal and Replacement Fund, and the Airport Passenger Facility Charge Fund.

Revenues totaled \$103.0 million and were generated primarily from transfers from the Airport Surplus Revenue Fund (\$55.0 million), Passenger Facility Charges (PFCs) (\$23.2 million), grant income (\$12.1 million), Commercial Paper proceeds (\$10.0 million) and interest earnings (\$1.6 million). This revenue level was \$56.1 million (35.3%) below the Modified Budget.

The negative variance to the budget of \$56.1 million (35.3%) was due primarily to lower than budgeted grant revenue of \$30.7 million (71.6%) and lower than budgeted Commercial Paper proceeds of \$29.2 million (74.5%). This performance resulted from the intentional drawing of commercial paper in alignment with the project schedule and expenditure stream to limit financing fees. Passenger Facility Charge revenue ended the year above estimated levels by \$2.0 million (9.5%), the result of increased passenger activity in the spring of 2023. Overall, revenues in 2022-2023 of \$103.0 million were above 2021-2022 revenues of \$42.0 million primarily due to an increased transfer from the Airport Surplus Revenue Fund (\$39.2 million), increased grant revenue (\$6.0 million) and increased Passenger Facility Charge revenue (\$3.5 million). Revenue rebudgets totaling \$2.1 million are recommended in this report to align the anticipated 2023-2024 revenue budget with planned expenditures.

Expenditures and encumbrances totaled \$85.0 million and consisted primarily of various capital renewal and replacement projects (\$36.9 million), grant-funded projects (\$24.2 million), and transfers to other Airport funds for debt service payments (\$13.6 million). Some significant expenditures in 2022-2023 included terminal projects such as the Terminal Accessibility Upgrades project (\$16.8 million) and airfield projects such as the Airfield Configuration Updates (\$12.7 million) and Airfield Electrical Circuit Rehabilitation (\$4.4 million) projects. This expenditure level was \$103.4 million (54.9%) below the Modified Budget and \$28.9 million (51.6%) above the prior year level of \$56.1 million.

After adjusting for rebudgets of \$95.7 million included in the 2023-2024 Adopted Budget and net negative rebudgets of \$2.1 million recommended in this report, expenditure savings of \$9.8 million were largely attributed to grant projects that were not awarded and project deferrals. Project savings also resulted from the completion of several projects including the Aircraft Rescue and Fire Fighting Facility project (\$885,000), the Airfield Electrical Circuit Rehabilitation project (\$879,000), and the Roadway Micro Surfacing project (\$251,000). The Airport continues to ensure passenger safety is a top priority and development of additional passenger, airline, and concession activity is important for the Airport's future growth.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

AIRPORT CAPITAL FUNDS

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance % (incl. Rebudgets)
\$217,934	\$80,799	\$77,204	(\$3,595)	\$2,052	(\$1,543)	(0.7%)

The **Ending Fund Balance** of \$77.2 million was \$3.6 million below the estimate used in the development of the 2023-2024 Adopted Capital Budget. After accounting for negative rebudgets totaling \$2.1 million that are recommended as part of this Annual Report, the revised fund balance variance is \$1.5 million (0.7%), the result of project deferrals and project timeline extensions.

As described in *Section IV - Recommended Budget Adjustments and Clean-Up/Rebudget Actions*, increases to the Airfield Configuration Updates and Vehicle Replacement Program projects are recommended in this report. After accounting for these adjustments, a decrease of \$1.7 million is recommended to the 2023-2024 Ending Fund Balance.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

AIRPORT OPERATING FUND - AIRPORT CUSTOMER FACILITY AND TRANSPORTATION FEE FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	2022-2023 Budget	2022-2023 Actuals	Variance	% Variance
Revenues	\$15,305	\$16,755	\$1,450	9.5%
Expenditures	\$11,654	\$11,186	(\$468)	(4.0%)

Revenues totaled \$16.8 million and were generated from rental car Customer Facility Charge (CFC) fees (\$16.5 million) and interest earnings (\$258,000). This revenue level was \$1.5 million or 9.5% above the Modified Budget of \$15.3 million and \$3.0 million (22.1%) above the prior year level of \$13.7 million.

The positive variance to the budget of \$1.5 million (9.5%) was mainly due to higher than estimated CFC revenue, which was driven by an increase in car rental activities. While 2022-2023 passenger levels were in line with expectations, rental car activity was above estimated levels, generating higher CFC revenue. The overall increase of \$3.0 million (22.1%) over the prior year can be attributed to a combination of the increase in passengers and increase in rental car usage.

Expenditures totaled \$11.2 million and were primarily attributed to transfers for debt service payments (\$9.0 million) as well as shuttle bus transportation costs (\$2.2 million) in Airport’s Non-Personal/Equipment budget. Expenditures were slightly below the budget with a variance of \$468,000 (4.0%) due to lower than estimated shuttle bus costs and unused contingency funds. This expenditure level was \$834,000 (8.1%) above the prior year level of \$10.4 million primarily due to an increase in CFC funded debt service payments.

Ending Fund Balance Performance (\$ in Thousands)						
<i>2022-2023 Modified Budget</i>	<i>2022-2023 Estimated Ending Fund Balance</i>	<i>2022-2023 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudgets</i>	<i>Revised Variance</i>	<i>Revised Variance % (incl. Rebudgets)</i>
\$25,335	\$14,695	\$16,029	\$1,333	\$0	\$1,333	5.3%

The 2022-2023 **Ending Fund Balance** of \$16.0 million was \$1.3 million above the estimate used in the development of the 2023-2024 Adopted Budget. This positive variance from the estimate resulted primarily from higher than estimated CFC revenue combined with savings in transportation costs and lower encumbrances.

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III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

AIRPORT OPERATING FUNDS - AIRPORT REVENUE FUND AND AIRPORT MAINTENANCE AND OPERATION FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$208,548	\$226,634	\$18,086	8.7%
Expenditures	\$155,827	\$119,144	(\$36,682)	(23.5%)

Revenues in the Airport Revenue Fund totaled \$226.6 million and were generated from Airline Terminal Rental (\$60.3 million), Parking and Roadway (\$59.9 million), Federal Grant revenue (\$28.9 million), Landing Fees (\$28.5 million), Terminal Building Concessions (\$22.4 million), Miscellaneous Revenue (\$17.1 million), Airfield (\$6.3 million), Petroleum Products (\$2.5 million), and Transfers from General Fund for Jet Fuel Sales Tax (\$702,000). The total revenue level was \$18.1 million (8.7%) above the Modified Budget of \$208.5 million.

The positive revenue variance of \$18.1 million was primarily due to higher-than-expected revenues in the following categories: Parking and Roadway (\$11.0 million), Terminal Building Concession (\$6.0 million), Miscellaneous (\$4.6 million), and Airfield revenue (\$610,000). These positive revenue variances were partially offset by negative variances in Terminal Rentals (\$2.2 million), Landing Fees (\$1.2 million), Petroleum Products (\$478,000), and transfers from the Fiscal Agent Fund (\$241,000).

The 2022-2023 revenue level was \$18.2 million (8.7%) above the 2021-2022 level of \$208.5 million primarily due to the continuing rise in passenger levels and overall activity at the airport as air traffic increases and stabilizes following the pandemic lows.

Expenditures in the Airport Maintenance and Operation Fund totaled \$119.1 million and were primarily for Airport Department non-personal/equipment (\$52.4 million including encumbrances), Airport personal services (\$36.9 million), transfers to the General Fund for Police and Fire services (\$18.4 million), Overhead (\$3.6 million), and Interdepartmental Services expenditures (\$1.1 million). Additionally, there were Airline Reserve Funds Distribution payments (\$5.1 million) made to distribute the airlines' portion of the net remaining revenue resulting from the 2022-2023 financial performance. This expenditure level was \$36.7 million (23.5%) below the Modified Budget of \$155.8 million and \$17.5 million (17.8%) below the prior year level of \$136.6 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

AIRPORT OPERATING FUNDS - AIRPORT REVENUE FUND AND AIRPORT MAINTENANCE AND OPERATION FUND

The favorable variance to the budget of \$36.7 million was primarily due to a lower-than-expected Airline Reserve Fund Distribution (\$24.9 million), and non-personal/equipment expenditure savings (\$5.7 million) resulting from reduced expenditures for custodial, baggage system maintenance, shuttle bus and parking operations services. Additionally, there were vacancy savings in personal services (\$2.5 million), unused Operations Contingency funds (\$910,000), and savings in interdepartmental expenses (\$501,000). The \$17.4 million (17.8%) decrease over the prior year was primarily due to decreased Airline Reserve Funds Distribution payments (\$22.3 million).

Ending Fund Balance Performance (\$ in Thousands)						
<i>2022-2023 Modified Budget</i>	<i>2022-2023 Estimated Ending Fund Balance</i>	<i>2022-2023 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudgets</i>	<i>Revised Variance</i>	<i>Revised Variance % incl. Rebudgets</i>
\$502,040	\$141,683	\$138,748	(\$2,935)	\$0	(\$2,935)	(0.6%)

The 2022-2023 combined **Ending Fund Balance** of \$138.7 million was \$2.9 million below the budgeted estimate used to develop the 2023-2024 Adopted Operating Budget. The variance from the estimate was primarily due to a lower than estimated debt service coverage requirement.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

BUILDING AND STRUCTURE CONSTRUCTION TAX FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$95,603	\$29,978	(\$65,625)	(68.6%)
Expenditures	\$144,669	\$53,302	(\$91,367)	(63.2%)

Revenues totaled \$30.0 million and were generated primarily from Building and Structure Construction Tax receipts (\$16.4 million), grant funding (\$11.0 million), interest earnings (\$2.3 million), and other revenue (\$235,000). The revenue level was \$3.5 million (13.2%) above the prior year level of \$26.5 million. The 2022-2023 revenues were lower than the budgeted estimate of \$95.6 million by approximately \$65.6 million, resulting primarily from lower than budgeted grant revenues (\$64.3 million) and Building and Structure Construction Tax (\$2.6 million), offset by higher interest earnings (\$1.1 million) and other revenue (\$245,000).

At \$16.4 million, Building and Structure Construction Tax receipts in 2022-2023 were below the budgeted estimate of \$19.0 million, and 22.8% lower than the 2021-2022 collections of \$21.2 million. During the development of the 2024-2028 Capital Improvement Program, the Building and Structure Construction Tax revenue estimate was kept the same as the \$19.0 million estimate included in the 2022-2023 Modified Budget, based on a steady level of anticipated collections. This year-over-year lower collection level for Building and Structure Construction Tax revenues is primarily attributable to a significant decrease in valuation of permits for building projects in the commercial land use category. The total valuation of projects submitted in 2022-2023 was \$1.3 billion, 13.9% below the \$1.5 billion valuation of projects that were received in 2021-2022. Residential valuation of \$369.2 million in 2022-2023 was slightly higher (0.5%) than the 2021-2022 level of \$367.4 million. A total of 1,792 new residential units received permits in 2022-2023, which was below 2021-2022 levels of 1,887 units. Commercial valuation of \$577.6 million ended 2022-2023 at 29.7% below the prior year level of \$821.7 million. Industrial activity of \$357.1 million was 9.6% higher than the 2021-2022 level of \$325.9 million. To achieve the 2023-2024 Adopted Budget estimate of \$19.0 million requires an increase of 16.0% from the actual 2022-2023 collection level. Examples of major projects for the year include permits for a six-story affordable multi-family residence with 245 units on North 1st Street; a 225,000 square foot warehouse located on King Road; a 23-story, mixed-use high rise building with 336 units located on East Reed Street; and an eight-story hotel located on West San Carlos Street.

Grant-related revenues of \$55.1 million, which were not received in 2022-2023 due to project delays, were anticipated and rebudgeted as part of the 2023-2024 budget process. An additional rebudget of grant funding in the amount of \$8.1 million is recommended as part of this report.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

BUILDING AND STRUCTURE CONSTRUCTION TAX FUND

Expenditures including encumbrances totaled \$53.3 million and were \$91.4 million (63.2%) below the modified budget. A significant portion of the expenditure savings (\$78.7 million), excluding reserves, was anticipated and rebudgeted as part of the 2023-2024 budget process. An additional \$9.1 million is recommended to be rebudgeted as part of this report to ensure sufficient funding for projects to continue in 2023-2024. Once rebudgets are included, expenditures in the Building and Structure Construction Tax Fund approach budgeted levels for 2022-2023. The expenditure level was \$36.9 million (81.5%) above the prior year level of \$29.3 million. This increase is primarily due to expenditures in the following projects: McKee Road Safety Corridor Improvements (\$7.3 million), Tully Road Safety Corridor Improvements (\$6.6 million), Quiet Zone (\$3.6 million), Monterey Road Safety Improvements (\$1.7 million), North San José – City of Santa Clara Settlement (\$1.5 million), Safety – Pedestrian Improvements (\$1.1 million), and San José Regional Transportation Hub (\$801,000).

Ending Fund Balance Performance (\$ in Thousands)						
<i>2022-2023 Modified Budget</i>	<i>2022-2023 Estimated Ending Fund Balance</i>	<i>2022-2023 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudgets</i>	<i>Revised Variance</i>	<i>Revised Variance % (incl. Rebudgets)</i>
\$198,785	\$78,505	\$79,892	\$1,388	\$944	\$444	0.2%

The **Ending Fund Balance** of \$79.9 million was \$1.4 million above the estimate used in the development of the 2023-2024 Adopted Budget. After accounting for net rebudget adjustments of \$944,000 recommended in this report, the positive variance changes to \$444,000. Significant expenditure rebudgets include Quiet Zone (\$2.8 million), North San José Transportation Plan (\$1.6 million), and Route 87/Taylor Bike/Ped Improvements (\$532,000) and significant revenue rebudgets include McKee Road Safety Corridor Improvements (\$3.1 million) and Tully Road Pedestrian Safety Improvements (\$2.0 million).

As described in *Section IV – Recommended Budget Adjustments and Clean-Up/Rebudget Actions*, a limited number of revisions to existing projects are recommended in this report. After accounting for all recommended adjustments, a net increase of \$197,000 is recommended to be allocated to the 2023-2024 Ending Fund Balance.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

CONSTRUCTION AND CONVEYANCE TAX FUNDS

Revenue and Expenditure Performance (\$ in Thousands)				
	2022-2023 Budget	2022-2023 Actuals	Variance	% Variance
Revenues	\$73,641	\$59,697	(\$13,944)	(18.9%)
Expenditures	\$151,067	\$74,690	(\$76,376)	(50.6%)

The Construction and Conveyance (C&C) Tax Funds consist of the Communications C&C Tax Fund, Service Yards C&C Tax Fund, Fire C&C Tax Fund, Library C&C Tax Fund, Parks Central C&C Tax Fund, Parks City-Wide C&C Tax Fund, 10 Council Districts C&C Tax Funds, and Park Yards C&C Tax Fund.

Revenues generated in the Construction and Conveyance (C&C) Tax Funds in 2022-2023 totaled \$59.7 million and were comprised of C&C tax receipts (\$37.9 million), transfers between funds (\$10.5 million), State and federal grants (\$7.8 million), interest earnings (\$3.0 million), and miscellaneous revenue that is primarily related to Federal Emergency Management Agency reimbursements (\$650,000). The revenue level is \$13.7 million below the budgeted estimate of \$73.6 million, primarily due to lower C&C tax proceeds (\$7.1 million), miscellaneous revenue (\$6.0 million), and transfers between funds (\$4.8 million), partially offset by higher than budgeted State and federal grants (\$3.9 million) and interest earnings (\$103,000). A significant portion of revenue was rebudgeted as part of the 2023-2024 Adopted Capital Budget (\$2.4 million) or is recommended to be rebudgeted as part of this report (\$2.9 million).

C&C Tax revenue collections of \$37.9 million was received in 2022-2023, which is \$7.1 million below the 2022-2023 Modified Budget of \$45.0 million and \$2.1 million below the estimated collection level of \$40.0 million. The tax receipts in 2022-2023 were 41.3% below the historically high tax collections received in 2021-2022 (\$64.5 million), primarily due to a tightened local real estate market, which is the primary driver of this revenue source. In 2023-2024, C&C Tax collections are budgeted at \$40.0 million, which require growth of \$2.1 million (5.7%) from the actual 2022-2023 collection level. Given the volatile nature of the C&C Tax, receipts will be closely monitored with budget adjustments brought forward later in the budget process, if deemed necessary. Further information regarding the local real estate market, which drives this tax revenue, can be found in the Transmittal Memorandum at the beginning of this report.

Expenditures in the various C&C Tax Funds totaled \$74.7 million in 2022-2023 and were derived primarily from various capital projects and transfers to other funds across the 17 C&C Tax funds (Council Districts 1-10, Parks City-Wide, Parks Central, Park Yards, Fire, Library, Service Yards, and Communications). This expenditure level is \$76.4 million (50.6%) below the budgeted level of \$151.1 million, which is primarily the result of unexpended capital project funding – most of which was rebudgeted into 2023-2024 as part of the Adopted Budget process – and project reductions that were necessary as a result of declining C&C Tax revenue. The 2022-2023 expenditure level of \$74.7 million was \$11.1 million (13.0%) below the prior year’s level of \$85.8 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

CONSTRUCTION AND CONVEYANCE TAX FUNDS

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance % (incl. Rebudgets)
\$205,297	\$101,742	\$117,129	\$15,387	\$4,993	\$10,394	10.2%

The **Ending Fund Balance** of \$117.1 million was \$15.4 million above the \$101.7 million estimate used to develop the 2023-2024 Adopted Capital Budget. After accounting for net revenue and expenditure rebudgets of \$5.0 million recommended in the Annual Report, the variance decreases to \$10.4 million.

As described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions*, this report includes recommendations to allocate from a number of C&C Tax Fund Ending Fund Balances to fund various capital projects, including Family-Friendly City Facilities (\$203,000; Parks City-Wide C&C Tax Fund), Family Camp Infrastructure Renovations (\$103,000; Parks City-Wide C&C Tax Fund), Strategic Capital Replacement and Maintenance Needs (\$75,000; Parks City-Wide C&C Tax Fund), and Alameda Undercrossing Diamond Plate Lids (-\$32,230; Council District 6 C&C Tax Fund). In addition, the Library C&C Tax Fund includes an action to decrease the Building Forward Library Infrastructure grant revenue and the Ending Fund Balance. The 2023-2024 Adopted Capital Budget assumed this revenue would be received in 2023-2024, however, the grant was actually received in 2022-2023. For a complete list of all budget adjustments included in the 17 C&C Tax Funds, please refer to *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions*.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

CONSTRUCTION EXCISE TAX FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$137,264	\$90,274	(\$46,990)	(34.2%)
Expenditures	\$203,564	\$143,064	(\$60,500)	(29.7%)

Revenues totaled \$90.3 million and were primarily generated from grant funding (\$74.7 million), Construction Excise Tax receipts (\$10.9 million), interest earnings (\$2.7 million), traffic impact and other fees (\$917,000), miscellaneous revenue (\$595,000), and developer contributions (\$489,000). The majority of grant funding consists of allocations for pavement maintenance from the State of California and the Valley Transportation Authority (VTA) (\$61.8 million). The revenue level was \$47.0 million (34.2%) below the budgeted estimate but \$2.6 million (3.0%) above the prior year level of \$87.7 million.

The 2022-2023 revenue level was lower than the 2022-2023 Modified Budget estimate of \$137.3 million, primarily due to lower receipts from grant funds (\$40.2 million), miscellaneous revenue (\$5.4 million), Construction Excise Tax receipts (\$3.1 million), and licenses and permits (\$100,000), and partially offset by higher than estimated traffic impact fees (\$916,000), interest earnings (\$720,000), and developer contributions (\$171,000). Grant related revenues of \$7.0 million which were not received in 2022-2023 due to project delays were anticipated and rebudgeted as part of the development of the 2023-2024 Adopted Budget. An additional \$40.6 million is recommended to be rebudgeted as part of this report, primarily due to VTA Measure B 2016 pavement maintenance funds that were not received in 2022-2023. The revenue variance to the prior year is \$2.6 million greater which mainly resulted from higher collections from grant funding (\$5.6 million), interest earnings (\$1.6 million), traffic impact fees (\$865,000), and traffic fees (\$147,000), which were partially offset by lower collections from Construction Excise Tax receipts (\$5.3 million), miscellaneous revenues (\$202,000), and licenses and permits (\$10,000).

At \$10.9 million, Construction Excise Tax receipts in 2022-2023 were 22.3% below the budgeted estimate of \$14.0 million and below 2021-2022 collections of \$16.2 million. Commercial permit valuations in 2022-2023 were significantly lower than 2021-2022, while residential permit valuations remained nearly the same. The total valuation of residential and commercial projects submitted in 2022-2023 was \$946.8 million, 20.4% below the \$1.2 billion valuation of residential and commercial projects submitted in 2021-2022 (the Construction Excise Tax does not apply to industrial projects).

Residential valuation of \$369.2 million in 2022-2023 was slightly higher (0.5%) than the 2021-2022 level of \$367.4 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

CONSTRUCTION EXCISE TAX FUND

A total of 1,792 new residential units received permits in 2022-2023, which was below 2021-2022 actuals of 1,887 units. More significantly, commercial valuation of \$577.6 million was 29.7% below the prior year level of \$821.7 million. Examples of major projects for the year include permits for a six-story affordable multi-family residence with 245 units on North 1st Street; a 23-story, mixed-use high rise building with 336 units located on East Reed Street; an eight-story hotel located on West San Carlos Street; and a six-story, 154-unit apartment project on Sunol Street.

To achieve the 2023-2024 Adopted Budget estimate of \$15.0 million for Construction Excise Tax requires an increase of 37.8% from the actual 2022-2023 collection level.

Expenditures including encumbrances totaled \$143.1 million and were \$60.5 million (29.7%) below the 2022-2023 Modified Budget. A portion of the expenditure savings (\$36.7 million) was anticipated and rebudgeted as part of the 2023-2024 budget process, in addition to the rebudgeting of reserves (\$49.1 million). An additional \$21.1 million is recommended to be rebudgeted as part of this report to ensure sufficient funding for projects in 2023-2024. The expenditure level was \$32.1 million above the prior year level of \$111.0 million, primarily due to level expenditures on pavement maintenance and road repair projects.

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance % (incl. Rebudgets)
\$257,408	\$89,219	\$79,416	(\$9,803)	(\$19,451)	\$9,648	3.7%

The **Ending Fund Balance** of \$79.4 million was \$9.8 million below the estimate used in the development of the 2023-2024 Adopted Budget. After accounting for net revenue and expenditure rebudgets of a negative \$19.5 million recommended in the Annual Report, this variance increases to \$9.6 million above the estimate. Significant revenue rebudgets include Pavement Maintenance – VTA Measure B 2016 (\$21.9 million), Pavement Cost Share (\$6.0 million), TDA – Bicycle and Pedestrian Facilities (\$3.7 million), Measure B Highway Bridge Program (\$3.0 million), OBAG2 – Pavement Maintenance (\$2.4 million), and St. James Station at Basset Bike/Ped Improvements (\$1.2 million). Significant expenditure rebudgets include Pavement Maintenance – VTA Measure B 2016 (\$9.8 million), Pavement Maintenance – VTA Measure B VRF (\$3.1 million), ADA Sidewalk Accessibility Program (\$1.0 million), Airport Connector (\$985,000), and Pavement Maintenance SB1 Road Repair and Accountability Act 2017 (\$974,000).

As described in *Section IV – Recommended Budget Adjustments and Clean-Up/Rebudget Actions*, a limited number of new grants and projects as well as revisions to existing projects are recommended in this report. After accounting for all recommended adjustments, the 2023-2024 Ending Fund Balance is recommended to be decreased by approximately \$7.1 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

DEVELOPMENT FEE PROGRAM FUNDS

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues				
<i>Building:</i>	\$33,966	\$37,997	\$4,031	11.9%
<i>Fire:</i>	\$7,893	\$8,224	\$331	4.2%
<i>Planning:</i>	\$8,342	\$7,241	(\$1,101)	-13.2%
<i>Public Works:</i>	\$14,675	\$16,954	\$2,279	15.5%
Expenditures				
<i>Building:</i>	\$43,341	\$35,481	(\$7,860)	(18.1%)
<i>Fire:</i>	\$10,573	\$9,133	(\$1,440)	(13.6%)
<i>Planning:</i>	\$8,279	\$7,513	(\$766)	(9.3%)
<i>Public Works:</i>	\$16,934	\$16,154	(\$780)	(4.6%)

The Development Fee Program Funds include the Building Development Fee Program Fund, Fire Development Fee Program Fund, Planning Development Fee Program Fund, and Public Works Development Fee Program Fund. The Development Fee Programs were previously budgeted in the General Fund as full cost recovery programs; however, starting in 2020-2021, these fee programs have been reallocated into individual special funds to improve transparency and financial and budgetary administration.

Revenues generated from the Development Fee Program Funds totaled \$70.4 million in 2022-2023, higher than the total budget of \$64.9 million. Revenues exceeded budgeted levels in the Building, Fire, and Public Works Development Fee Program Funds, while revenues ended the year below budgeted levels in the Planning Development Fee Program Fund due to lower than anticipated activity across all major revenue generating Planning Permits. Total revenues were also approximately 6% above the prior year, with only the Planning Development Fee Program experiencing a decline (-12.2%).

The difference between revenues and expenditures are held in the fund balance to be spent down as projects proceed through the development process.

Expenditures totaled \$68.3 million and were primarily for the Personal Services and Non-Personal/Equipment expenditures in all four Development Fee Program Funds. This expenditure level was \$10.8 million (13.7%) below the modified budget of \$79.1 million primarily due to vacancy savings experienced in all four Development Fee Program Funds.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

DEVELOPMENT FEE PROGRAM FUNDS

Ending Fund Balance Performance (\$ in Thousands)							
<i>Development Fee Program</i>	<i>2022-2023 Modified Budget</i>	<i>2022-2023 Estimated Ending Fund Balance</i>	<i>2022-2023 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudgets</i>	<i>Revised Variance</i>	<i>Revised Variance % (incl. Rebudgets)</i>
Building	\$68,471	\$32,854	\$37,021	\$4,167	\$0	\$4,167	6.1%
Fire	\$11,183	\$2,331	\$2,382	\$51	\$0	\$51	0.5%
Planning	\$12,685	\$4,023	\$4,071	\$48	\$0	\$48	0.4%
Public Works	\$21,459	\$5,408	\$7,584	\$2,174	\$0	\$2,174	10.1%

The total **Ending Fund Balance** for all four Development Fee Program Funds of \$51.1 million was \$6.4 million above the estimate used in the development of the 2023-2024 Adopted Budget. These funds will be spent down in future years as projects proceed through the development process. After accounting for the recommended budget adjustments included in this report, the 2023-2024 Ending Fund Balance for the Development Fee Program Funds will be increased by \$5.5 million. These funds will be spent down in future years as projects proceed through the development process. It is important to note that, after accounting for the clean-up/rebudget actions included in *Section IV – Recommended Budget Adjustments and Clean-Up Actions*, the 2023-2024 Ending Fund Balance in the Fire Development Fee Program Fund is \$895,000, or only 7.6% of the Fire Development Fee Program Fund’s Modified Budget. The Administration will continue to carefully monitor this fund’s status throughout the fiscal year and recommend adjustments as appropriate should revenue or expenditure expectations significantly change.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

INTEGRATED WASTE MANAGEMENT FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$194,401	\$197,290	\$2,889	1.5%
Expenditures	\$207,416	\$203,009	(\$4,407)	(2.1%)

Revenues totaled \$197.3 million and were generated primarily from Recycle Plus collection charges (\$188.5 million), AB939 Fees (\$4.7 million), lien-related revenues (\$1.2 million), and unclaimed Construction and Demolition Diversion Deposit revenue (\$838,000). This revenue level was \$2.9 million (1.5%) above the Modified Budget of \$194.4 million and \$9.7 million (5.2%) above the prior year level of \$187.6 million.

The variance to the budget was mainly due to higher than anticipated revenue from Recycle Plus collection charges (\$1.9 million), lien-related revenues (\$591,000), and Commercial and Multi-Family Dwelling (MFD) Enforcement Fines (\$358,000). The overall increase compared to the prior year was due primarily to increased Recycle Plus collection charges (\$13.9 million), offset by property sales that took place in 2021-2022 (\$3.8 million).

Expenditures totaled \$203.0 million and were primarily for Single-Family Dwelling (SFD) Recycle Plus contracts (\$94.5 million) to pay for hauling services for single-family dwellings across the City, yard trimmings/street sweeping contract (\$32.8 million), MFD Recycle Plus contracts (\$30.3 million), SFD back-end processing (\$20.7 million) which pays for post-collection processing of solid waste to recover organics and recyclables, Environmental Services Department (ESD) personal services costs (\$8.5 million), the International Disposal Corporation of California, Inc. (IDC) disposal agreement (\$5.5 million), ESD non-personal/equipment costs (\$3.9 million), reimbursement of citywide overhead expenses (\$2.2 million), and costs for the County Revenue Collection Fee (\$1.4 million). This expenditure level was \$4.4 million (2.1%) below the Modified Budget of \$207.4 million and \$16.3 million (8.7%) above the prior year level of \$186.7 million.

The variance to the budget was mainly due to savings in ESD non-personal/equipment expenses (\$1.3 million), expenditures related to the CalRecycle Grant (\$1.2 million), ESD personal services (\$848,000) costs, and SFD Recycle Plus (\$305,000) costs. The higher expenditure level compared to the prior year was due primarily to higher costs for SFD Recycle Plus (\$9.5 million), MFD Recycle Plus (\$2.7 million), yard trimming collection and processing (\$2.3 million), and SFD back-end processing (\$1.2 million).

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

INTEGRATED WASTE MANAGEMENT FUND

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance as % of Modified Budget
\$225,817	\$25,174	\$25,629	\$455	\$293	\$162	0.1%

The **Ending Fund Balance** of \$25.6 million was \$455,000 above the estimate used in the development of the 2023-2024 Adopted Budget primarily due to the higher than estimated expenditures in yard trimmings/street sweeping contract costs and SFD back-end processing, offset by lower than estimated expenditures in MFD Recycle Plus and higher than estimated Recycle Plus collection charges revenue. After accounting for adjustments recommended in *Section IV – Recommended Budget Adjustments and Clean-Up Actions*, the 2023-2024 Ending Fund Balance in the Integrated Waste Management Fund is recommended to be increased by \$162,000.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SANITARY SEWER CAPITAL FUNDS

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$38,062	\$38,310	\$248	0.7%
Expenditures	\$73,130	\$28,775	(\$44,355)	(60.7%)

The Sanitary Sewer Capital Funds include the Sewer Service and Use Charge Capital Improvement Fund and the Sanitary Sewer Connection Fee Fund.

Revenues totaled \$38.3 million and were generated from a transfer from the Sewer Service and Use Charge Fund (\$35.0 million), interest revenue (\$2.3 million), connection fees (\$508,000), and joint participation payments (\$452,000). This revenue level was \$248,000 (0.7%) above the Modified Budget and \$800,000 (2.1%) above the prior year’s level of \$37.5 million.

The variance to the budget was due to higher than budgeted interest revenue (\$905,000) offset primarily by lower joint participation payments (\$678,000) as project delays in joint participation jurisdictions postpone when reimbursements are collected. The positive variance to the prior year was due primarily to higher interest revenue (\$1.6 million), offset by lower joint participation payments (\$570,000) and miscellaneous revenues (\$284,000).

Expenditures totaled \$28.8 million due to the progress on a variety of capital projects, the largest of which were: Urgent Rehabilitation and Repair Projects (\$8.8 million), Infrastructure – Sanitary Sewer Condition Assessment (\$3.8 million), Cast Iron Pipe – Remove and Replace (\$3.4 million), Condition Assessment Sewer Repairs (\$2.9 million), Immediate Replacement and Diversion Projects (\$2.5 million), Capital Program and Public Works Department Support Service Costs (\$1.8 million), and Master Planning Updates (\$1.4 million). This expenditure level was \$44.4 million (60.7%) below the Modified Budget and \$3.1 million (9.9%) below the prior year’s level of \$31.9 million.

Expenditures were below the budget by \$44.4 million (60.7%) as a result of savings across a number of projects, including: Sanitary Sewer Interceptor Management Program (\$6.0 million), Fourth Major Interceptor Phase VIIA (\$5.5 million), Immediate Replacement and Diversion Projects (\$5.3 million), Condition Assessment Sewer Repairs (\$5.0 million), Blossom Hill and Leigh Sanitary Improvements (\$4.6 million), Cast Iron Pipe - Remove and Replace (\$3.8 million), Almaden Supplement Sewer Rehabilitation (North) (\$3.1 million), Urgent Rehabilitation and Repair Projects (\$2.7 million), and Rehabilitation of Sanitary Sewer Pump Stations (\$1.7 million). Several of these projects are recommended to be rebudgeted to 2023-2024 in this report as a result of project delays or were rebudgeted in the 2023-2024 Adopted Budget. The lower expenditure level compared to the prior year is largely attributed to lower costs for 60” Brick Interceptor, Phase VIA and VIB (\$6.4 million) and Condition Assessment Sewer Repairs (\$1.1 million), offset primarily by higher expenditures in Urgent Rehabilitation and Repair Projects (\$2.7 million) and Immediate Replacement and Diversion Projects (\$1.1 million).

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SANITARY SEWER CAPITAL FUNDS

Ending Fund Balance Performance (\$ in Thousands)						
<i>2022-2023 Modified Budget</i>	<i>2022-2023 Estimated Ending Fund Balance</i>	<i>2022-2023 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudgets</i>	<i>Revised Variance</i>	<i>Revised Variance as % of Modified Budget</i>
\$119,990	\$68,944	\$91,453	\$22,509	\$6,563	\$15,946	13.3%

The **Ending Fund Balance** of \$91.5 million was \$22.5 million above the estimate used in the development of the 2023-2024 Adopted Budget. The actual Ending Fund Balance was above the estimate largely due to lower than anticipated expenditures across several projects, including Immediate Replacement and Diversion Projects (\$5.3 million), Condition Assessment Sewer Repairs (\$5.0 million), Cast Iron Pipe – Remove and Replace (\$3.8 million), Urgent Rehabilitation and Repair Projects (\$2.7 million), and Infrastructure – Sanitary Sewer Condition Assessment (\$659,000). After accounting for all recommended adjustments in the Annual Report as included in *Section IV – Recommended Budget Adjustments and Clean-Up Actions*, the 2023-2024 Ending Fund Balance is recommended to be increased by \$10.7 million for the Sewer Service and Use Charge Capital Improvement Fund and \$235,000 for the Sanitary Sewer Connection Fee Fund.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SAN JOSE CLEAN ENERGY OPERATING FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	2022-2023 Budget	2022-2023 Actuals	Variance	% Variance
Revenues	\$522,171	\$521,562	(\$609)	(0.1%)
Expenditures	\$471,154	\$453,226	(\$17,928)	(3.8%)

Revenues totaled \$521.6 million and were primarily generated from the sale of electricity (\$516.6 million), interest earnings (\$2.8 million), and grant revenue (\$2.2 million). This revenue level was slightly below (\$609,000 or 0.1%) the Modified Budget of \$522.2 million, and \$120.8 million (30.1%) above prior year actuals.

The 2022-2023 variance to budget (\$609,000) was largely due to higher interest revenue (\$2.1 million) and slightly higher energy sales (\$60,000), offset by the delayed receipt of State grant revenue for the Disadvantaged Communities Green Tariff and Energy Efficiency grant programs (\$2.7 million). In December 2022, City Council approved San José Clean Energy’s (SJCE) rate package for 2023 and the shift to a new cost-of-service rate setting model in place of setting rates at a fixed discount or premium to PG&E’s standard generation rates, inclusive of PG&E’s added fees. SJCE’s new rates began on January 1, 2023, and are 1-3% below PG&E rates, inclusive of the Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge, depending on customer class and usage.

PG&E’s PCIA fees are highly volatile and are a significant factor when setting SJCE rates each year. Lower PCIA fees, combined with high market energy prices, created a favorable environment for SJCE in 2022-2023, which is a marked improvement from the prior year when SJCE’s financials projected a cash flow shortage for which City Council approved a total Commercial Paper Notes authorization of up to \$95.0 million. SJCE drew a total of \$60.0 million of Commercial Paper notes in 2020-2021 and 2021-2022 combined.

Energy sales of \$516.6 million were consistent with the Modified Budget estimate of \$516.5 million and were up significantly (45.3%) from prior year totals of \$355.5 million.

Expenditures including encumbrances totaled \$453.2 million and consisted primarily of Cost of Energy expenditures (\$384.0 million), Commercial Paper Debt Service principal and interest payments (\$42.3 million), Community Energy Department non-personal/equipment (\$8.7 million) and personal services expenditures (\$7.3 million), City overhead reimbursement (\$3.1 million), and PG&E security fees (\$1.5 million). This expenditure level was \$17.9 million (3.8%) below the Modified Budget of \$471.2 million, which reflected savings in the Cost of Energy (\$6.4 million), Community Energy Department non-personal/equipment (\$4.5 million) and personal services expenditures (\$973,000), letter of credit fees (\$2.7 million), Debt Service Interest payments (\$1.0 million), and Disadvantaged Communities Green Tariff (\$798,000) and Energy Efficiency (\$708,000) grant program costs. This expenditure level was 25.1% above the prior year’s level of \$339.4 million, primarily attributable to higher Cost of Energy expenditures (\$66.8 million).

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SAN JOSE CLEAN ENERGY OPERATING FUND

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance % (incl. Rebudgets)
\$628,002	\$180,030	\$173,742	(\$6,288)	\$1,181	(\$5,107)	(0.01%)

The **Ending Fund Balance** of \$173.7 million was \$6.3 million below the estimate used in the development of the 2023-2024 Adopted Budget. The variance can primarily be attributed to above estimated levels of State grant revenue (\$2.0 million), higher interest earnings (\$768,000), and lower than estimated cost of energy expenditures (\$12.1 million), offset by a higher encumbrance balance (\$18.0 million), higher than estimated Community Energy Department non-personal/equipment expenditures (\$2.0 million) and State grant program costs (\$1.8 million). After accounting for \$1.2 million of rebudget adjustments (net revenue and expense) that result from SJCE grant program reconciliations recommended in *Section IV – Recommended Budget Adjustments and Clean-Up/Rebudget Actions*, the revised fund balance variance is \$5.1 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SAN JOSÉ-SANTA CLARA TREATMENT PLANT CAPITAL FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$682,942	\$441,487	(\$241,455)	(35.4%)
Expenditures	\$739,564	\$622,652	(\$116,912)	(15.8%)

Revenues totaled \$441.5 million and were generated primarily from financing proceeds from the issuance of bonds (\$301.4 million), Wastewater Revenue Notes (\$63.2 million), a transfer from the Sewer Service and Use Charge (SSUC) Fund (\$45.3 million), Revenue from Local Agencies for projects and debt service payments (\$25.9 million), and interest income (\$5.3 million). This revenue level was \$241.5 million (35.4%) below the Modified Budget and \$252.3 million (133.3%) above the prior year’s level of \$189.2 million.

The variance to the budget was due primarily to postponing the issuance of a portion of the authorized wastewater revenue notes (\$238.2 million) to align with the timing of project spending and lower contributions from Santa Clara and the tributary agencies for projects (\$4.9 million) as a result of the prior year’s reconciliation for actual Treatment Plant expenditures and usage (Santa Clara and the tributary agencies are billed on a quarterly basis according to the most recent expenditure data available throughout the fiscal year). The increase from the prior year was due primarily to bond issuance (\$301.4 million), an increased transfer from the Sewer Service and Use Charge Fund (\$11.9 million), and increased interest earnings (\$3.5 million), offset primarily by decreased contributions from Santa Clara and the tributary agencies for projects and debt service payments (\$41.3 million) and lower revenue from the issuance of wastewater revenue notes (\$23.3 million).

Expenditures totaled \$622.7 million and were primarily attributed to capital improvement projects and associated support allocations (\$313.4 million) and debt service payments (\$309.3 million). The largest project and support allocation expenditures included Digested Sludge and Dewatering Facilities (\$140.5 million), Filter Rehabilitation (\$36.6 million), New Headworks (\$28.0 million), Yard Piping and Road Improvements (\$23.1 million), Nitrification Clarifier Rehabilitation (\$19.5 million), Program Management (\$12.1 million), Storm Drain System Improvements (\$9.4 million), Advanced Facility Control and Replacement (\$5.9 million), Outfall Bridge and Levee Improvements (\$5.8 million), Aeration Tanks and Blower Rehabilitation (\$5.7 million), and Support Building Improvements (\$4.8 million). This expenditure level was \$116.9 million (15.8%) below the Modified Budget and \$195.7 million (45.9%) higher than the prior year’s level of \$426.9 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SAN JOSÉ-SANTA CLARA TREATMENT PLANT CAPITAL FUND

The variance between the Modified Budget and actual expenditures is \$116.9 million, with a majority of the variance attributed to savings in the Facility Wide Water System Improvements (\$47.2 million), Support Building Improvements (\$18.3 million), Digester and Thickener Facilities Upgrade (\$6.8 million), Debt Service Repayment for Plant Capital Improvement Projects (\$6.0 million), Plant Infrastructure Improvements (\$4.5 million), Plantwide Security Systems Upgrade (\$4.4 million), Final Effluent Pump Station and Stormwater Channel Improvements (\$3.8 million), Aeration Tanks and Blower Rehabilitation (\$3.4 million), Owner Controlled Insurance Program (\$2.6 million), and Preliminary Engineering (\$2.5 million). Most of these savings were anticipated and rebudgeted as part of the 2023-2024 Adopted Budget process, with an additional \$7.2 million recommended to be rebudgeted as part of this report to ensure sufficient funding for projects in 2023-2024. Expenditures were higher than the prior year, with the most significant increases year-over-year being Debt Service Repayment for Plant Capital Improvement Projects (\$306.9 million) to pay off outstanding debt service obligations, and Yard Piping and Road Improvements (\$15.8 million). The most significant decreases year-over-year were New Headworks (\$52.6 million), Digester and Thickener Facilities Upgrade (\$19.8 million), Filter Rehabilitation (\$10.7 million), Aeration Tanks and Blower Rehabilitation (\$10.4 million), and Digested Sludge Dewatering Facility (\$10.3 million).

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance as % of Modified Budget
\$873,861	\$99,468	\$15,087	(\$84,381)	(\$77,821)	(\$6,560)	(0.8%)

The **Ending Fund Balance** of \$15.1 million was \$84.4 million below the estimate used in the development of the 2023-2024 Adopted Budget. The decrease to Ending Fund Balance is attributable to \$170.0 million in encumbrances for construction projects that have not yet incurred actual expenditures and the corresponding deferral of issuing \$85.0 million in wastewater revenue notes to 2023-2024 when the actual expenditures for the capital projects are expected. The wastewater revenue notes provide funding for project expenditures at the Regional Wastewater Facility, but notes are issued only after expenses are incurred. This creates a time lag between when a contract is encumbered and when the revenue is needed to pay for expenses. Rebudgeting the financing proceeds from wastewater notes in the amount of \$85.0 million and \$7.2 million for various projects are recommended in this report to retain sufficient budgetary Ending Fund Balance and ensure sufficient capacity to support the expenditures that are anticipated for 2023-2024. The wastewater revenue notes will only be drawn as necessary to ensure appropriate funds are available for the projects.

After accounting for adjustments recommended in *Section IV – Recommended Budget Adjustments and Clean-Up Actions*, the 2023-2024 Ending Fund Balance in the San José-Santa Clara Treatment Plant Capital Fund is recommended to be decreased by \$6.6 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SAN JOSE-SANTA CLARA TREATMENT PLANT OPERATING FUNDS

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$325,531	\$319,625	(\$5,906)	(1.8%)
Expenditures	\$378,292	\$328,252	(\$50,040)	(13.2%)

The San José-Santa Clara Treatment Plant operating funds consist of the Sewer Service and Use Charge Fund (SSUC Fund), the San José-Santa Clara Treatment Plant Operating Fund (Plant Operating Fund), the Sewage Treatment Plant Connection Fee Fund (Connection Fee Fund), and the San José-Santa Clara Treatment Plant Income Fund (Plant Income Fund).

Revenues totaled \$319.6 million and were generated primarily from sewer service and use charges for residential (\$157.0 million), commercial (\$27.9 million), and industrial (\$4.9 million) users; a transfer from the SSUC Fund to the Plant Operating Fund (\$86.8 million); contributions from tributary agencies (\$22.2 million) and the City of Santa Clara (\$15.3 million); interest and rental revenues (\$3.1 million); and connection fees (\$1.3 million). This revenue level was \$5.9 million (1.8%) below the Modified Budget and \$42.6 million (15.4%) above the prior year's level of \$277.1 million.

The variance to the budget of \$5.9 million (1.8%) was mainly due to lower contributions from tributary agencies (\$5.2 million) and the City of Santa Clara (\$4.6 million), primarily offset by higher SSUC charges (\$3.6 million). Revenues came in \$42.6 million (15.4%) higher than the prior year primarily due to a higher transfer from the SSUC Fund to the Plant Operating Fund (\$22.8 million) and higher SSUC charges (\$20.5 million), partially offset by lower contributions from the City of Santa Clara (\$2.1 million) and tributary agencies (\$428,000).

Expenditures totaled \$328.3 million and consisted primarily of transfers to the Treatment Plant Operating Fund (\$86.8 million), the Treatment Plant Capital Fund (\$45.3 million), the Sewer Service and Use Charge Capital Fund (\$35.0 million); Environmental Services Department (ESD) personal services (\$60.1 million) and non-personal/equipment (\$45.2 million) costs; overhead reimbursements (\$19.5 million); and Transportation Department personal services (\$16.4 million) and non-personal/equipment (\$9.8 million) costs. This expenditure level was \$50.0 million (13.2%) below the Modified Budget, and \$50.1 million (18.0%) above the prior year's level of \$278.2 million.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

SAN JOSE-SANTA CLARA TREATMENT PLANT OPERATING FUNDS

Expenditures ended the year \$50.0 million (13.2%) below the budget primarily due to savings in: the Legacy Lagoons Remediation project (\$26.2 million), savings for which were anticipated and have been allocated to the City of San José Legacy Lagoons Remediation Project II Reserve in 2023-2024 to ensure funding is available when the next phase of the remediation project is ready to begin; the Prior Year Fiscal Agency Payment (\$12.3 million) which was established in the Plant Operating Fund to track payments back to the Tributary Agencies for prior year credits, and this appropriation was unused in favor of the previous method in 2022-2023 due to delays in updating internal processes for the revised method; ESD personal services (\$3.7 million) and non-personal/equipment (\$2.6 million) savings; and Transportation Department non-personal/equipment (\$1.6 million) savings. Expenditures ended the year \$50.1 million (18.0%) above the previous year's expenditures due primarily to increased transfers to the Treatment Plant Operating Fund (\$22.8 million) and the Treatment Plant Capital Fund (\$11.9 million); increased ESD non-personal/equipment (\$5.4 million) and personal services (\$4.2 million) expenditures; and increased overhead reimbursements (\$1.8 million).

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance as % of Modified Budget
\$492,850	\$158,234	\$161,796	\$3,562	\$5	\$3,557	0.7%

The **Ending Fund Balance** of \$161.8 million was \$3.6 million above the estimate used in the development of the 2023-2024 Adopted Budget and primarily due to lower than estimated expenditures for the Prior Year Fiscal Agency Payment (\$9.8 million), offset primarily by ESD non-personal/equipment (\$6.2 million) and personal services (\$2.8 million), and Transportation Department non-personal/equipment services (\$4.3 million).

After accounting for rebudget adjustments, the 2022-2023 Ending Fund Balance variance remains at \$3.6 million. The recommended various actions in *Section IV – Recommended Budget Adjustments and Clean-Up Actions* result in the following changes to the 2023-2024 Ending Fund Balance: an increase of \$2.0 million in the Sewer Service and Use Charge Fund, an increase of \$1.3 million in the San José-Santa Clara Treatment Plant Operating Fund, an increase of \$188,000 in the San José-Santa Clara Treatment Plant Income Fund, and a decrease of \$520,000 in the Sewage Treatment Plant Connection Fee Fund.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

WATER UTILITY CAPITAL FUNDS

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$7,996	\$8,579	\$583	7.3%
Expenditures	\$22,904	\$10,335	(\$12,569)	(54.9%)

The Water Utility Capital Funds include the Water Utility Capital Fund and the Major Facilities Fund.

Revenues totaled \$8.6 million and were generated from a transfer from the Water Utility Fund (\$7.8 million), interest income (\$689,000), and fees paid by developers (\$90,000). The fees consist of Service Connection Fees (\$61,000), Advanced System Design Fees (\$15,000), Major Facilities Fees (\$7,000), and Meter Installation Fees (\$6,000). Revenues were \$583,000 (7.3%) above the Modified Budget due to higher than anticipated interest income (\$568,000) and revenue from the developer fees (\$15,000). Revenues were \$512,000 (6.3%) above the prior year’s level of \$8.1 million, due to increased interest revenue (\$448,000) and developer fee revenues (\$64,000).

Expenditures totaled \$10.3 million for several capital projects, the largest of which were Annual Water Main Replacement (\$4.5 million), the Water Resources Administration and Operations Facility (\$2.2 million), System Maintenance and Repairs (\$1.3 million), and Infrastructure Improvements (\$1.1 million). This expenditure level was \$12.6 million (54.9%) below the Modified Budget and \$1.6 million (13.3%) below the prior year’s level of \$11.9 million.

Expenditures were below the budget by \$12.6 million as a result of savings and unexpended funds across a number of projects, which included: the Water Resources Administration and Operations Facility (\$5.1 million), North San José Reliability Well #6 Construction (\$2.4 million) which is recommended to be renamed to North San José Reliability Well Construction in this report to provide more versatility in the use of funding to support the construction of additional reliability wells, North San José Well #5 Development and Construction (\$2.2 million), and Annual Water Main Replacement (\$2.0 million). Several of these projects have been fully or partially rebudgeted in the 2023-2024 Adopted Budget or are recommended to be rebudgeted in this report because of project delays. Expenditures were below the prior year’s level primarily due to lower expenses for the Fowler Pump Station Replacement project (\$827,000) which was substantially completed in 2021-2022, System Maintenance/Repairs (\$495,000), Infrastructure Replacement (\$250,000), Annual Water Main Replacement (\$215,000), and Safety and Security Improvements (\$200,000).

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

WATER UTILITY CAPITAL FUNDS

Ending Fund Balance Performance (\$ in Thousands)						
2022-2023 Modified Budget	2022-2023 Estimated Ending Fund Balance	2022-2023 Actual Ending Fund Balance	Variance	Recommended Annual Report Rebudgets	Revised Variance	Revised Variance as % of Modified Budget
\$32,280	\$22,264	\$23,132	\$868	\$658	\$210	0.7%

The **Ending Fund Balance** of \$23.1 million was \$868,000 above the estimate used in the development of the 2023-2024 Adopted Budget. After accounting for the \$658,000 of recommended adjustments in the Annual Report as included in *Section IV – Recommended Budget Adjustments and Clean-Up Actions*, the 2023-2024 Ending Fund Balance is recommended to be increased by approximately \$155,000 for the Water Utility Capital Fund and approximately \$55,000 for the Major Facilities Fund.

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

WATER UTILITY OPERATING FUND

Revenue and Expenditure Performance (\$ in Thousands)				
	<i>2022-2023 Budget</i>	<i>2022-2023 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$61,744	\$61,049	(\$695)	(1.1%)
Expenditure	\$65,703	\$61,544	(\$4,159)	(6.3%)

Revenues totaled \$61.0 million and were generated from potable (\$53.3 million) and recycled water (\$6.1 million) sales, late fees (\$1.4 million), miscellaneous revenues (\$108,000), and interest earnings (\$91,000). This revenue level was \$695,000 (1.1%) below the Modified Budget and \$4.9 million (8.1%) above the prior year’s level of \$56.1 million.

Revenues ended the year below the budget primarily due to lower than anticipated potable water sales (\$1.9 million), offset by higher than anticipated late fee revenues (\$1.1 million) and recycled water sales (\$101,000). The increase over the prior year was due primarily to higher potable water sales (\$6.2 million) and late fees (\$457,000), offset by lower recycled water sales (\$1.1 million) and revenue from the Federal Government (\$541,000).

Expenditures totaled \$61.5 million and were primarily for Environmental Services Department (ESD) non-personal/equipment costs of \$40.9 million (\$28.3 million was attributed to the purchase of wholesale potable water and \$5.7 million to wholesale recycled water), ESD personal services costs (\$8.8 million), a transfer to the Water Utility Capital Fund (\$7.8 million), and the reimbursement of overhead costs (\$2.1 million). This expenditure level was \$4.2 million (6.3%) below the Modified Budget mainly due to lower than budgeted expenditures in ESD non-personal/equipment (\$3.8 million), savings from the Customer Information System Transition allocation (\$150,000), and Information Technology Department non-personal/equipment expenses (\$120,000). Overall, the expenditure level was \$1.7 million (2.9%) above the prior year’s level of \$59.8 million primarily due to higher ESD non-personal/equipment expenditures (\$1.7 million), a higher reimbursement of overhead costs (\$322,000), and higher ESD personal services expenditures (\$180,000), offset by a lower transfer to the General Fund of unrestricted late fee revenues (\$500,000).

III. PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS

WATER UTILITY OPERATING FUND

Ending Fund Balance Performance (\$ in Thousands)						
<i>2022-2023 Modified Budget</i>	<i>2022-2023 Estimated Ending Fund Balance</i>	<i>2022-2023 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudgets</i>	<i>Revised Variance</i>	<i>Revised Variance as % of Modified Budget</i>
\$76,854	\$13,320	\$14,629	\$1,310	\$0	\$1,310	1.7%

The **Ending Fund Balance** of \$14.7 million was \$1.3 million above the estimate used in the development of the 2023-2024 Adopted Budget. The Ending Fund Balance was higher than the estimate primarily due to lower than estimated ESD non-personal/equipment costs (\$4.6 million), and lower ESD personal services costs (\$1.3 million), offset by lower than estimated revenue from water sales (\$4.7 million). Accordingly, as included in *Section IV – Recommended Budget Adjustments and Clean-Up Actions*, the 2023-2024 Ending Fund Balance in the Water Utility Fund is recommended to be increased by \$1.3 million.

IV. RECOMMENDED BUDGET ADJUSTMENTS AND CLEAN-UP/REBUDGET ACTIONS

RECOMMENDED BUDGET ADJUSTMENTS

This section of the Annual Report describes recommended budget adjustments and is broken down by General Fund and Special/Capital Funds. The following types of changes are included:

General Fund

Required Technical/Rebalancing Actions – These actions recommend adjustments to align already approved revenue estimates and expenditure budgets with the most current tracking information, reallocate funding for ongoing appropriations based on updated needs, correct technical problems in the 2023-2024 Adopted Budget, or comply with actions previously authorized by the City Council.

Grants/Reimbursements/Fees – These actions, which generally impact, recognize new or adjusted grants, reimbursements, or fee activity revenues and adjust the appropriations for these purposes, as appropriate.

Special/Capital Funds

Special/Capital Fund Adjustments – These actions adjust revenue estimates based on recent collection information; recognize revenues from new or adjusted grants, reimbursements, and fees; reflect changes in project and program allocations based on revised cost estimates and project timing; reallocate project funding from reserves; and/or establish a limited number of new projects and programs.

IV. RECOMMENDED BUDGET ADJUSTMENTS AND CLEAN-UP/REBUDGET ACTIONS

CLEAN-UP/REBUDGET ACTIONS

This section of the Annual Report consists of clean-up and rebudget actions for the General Fund and Special/Capital Funds. The following types of adjustments are included:

General Fund & Special/Capital Funds

Fund Balance Reconciliations – These actions revise the Beginning Fund Balance estimates in the 2023-2024 Adopted Budget for all funds where the actual (unaudited) 2022-2023 Ending Fund Balance contained in the Annual Comprehensive Financial Report (ACFR) statements differ from the budgeted amount.

Rebudgets – These actions revise various appropriations to rebudget funds to complete prior year projects. Downward adjustments to previously approved rebudget actions are included if actual year-end revenues or expenditures were higher than anticipated, while upward adjustments are included if actual year-end revenues or expenditures were lower than anticipated.

Technical Adjustments – These actions align revenues and/or expenditures among appropriations, funds, and/or categories for previously approved budget actions or reconcile revenues with expenditures to close out the previous fiscal year. Summaries of each of these adjustments are provided below:

- **Net-Zero Funding Transfers/Reallocations** – These actions include net-zero transfers between appropriations, funds, and revenue categories and the redistribution of funding allocations.
 - **Appropriation Name Change** – renames appropriations to better align with the intended use of the funds.
 - **Funding Reallocation / Shifts** – reallocates funds for the same purpose that was previously approved by City Council to another appropriation, fund, or revenue category to better track the funding; to align funding with an appropriation best suited for the intended use (e.g., Non-Personal/Equipment to Personal Services, Non-Personal/Equipment to a City-Wide Expenses appropriation); or to shift funds to the appropriate funding source.
- **Measure E** – The Measure E expenditure reconciliations resulted in a net downward adjustment to 2023-2024 reserve allocations by \$2.7 million: 1) to proportionately reduce budgeted levels by \$8.7 million to reflect the 2022-2023 shortfall of Real Property Transfer Tax proceeds, 2) increasing reserves by \$4.3 million to reallocate 2022-2023 expenditure savings to the corresponding reserve for future programming, 3) increasing reserves by \$1.7 million to proportionately reallocate Program Administration 2022-2023 expenditure savings to reserves for future programming, and 4) net-zero technical adjustments between reserves to correctly allocate prior year funding in accordance with prior City Council direction. The Measure E reconciliations resulted in upward adjustments to Measure E - 5% Moderate-Income Households Reserve (\$2.2 million) and Measure E - 10% Homeless Prevention and Rental Assistance Reserve (\$1.5 million); and downward adjustments to

IV. RECOMMENDED BUDGET ADJUSTMENTS AND CLEAN-UP/REBUDGET ACTIONS

Measure E - Interim Housing Construction and Operations Reserve (\$3.1 million), Measure E - 40% Extremely Low-Income Households Reserve (\$2.8 million), and Measure E - 30% Low-Income Households Reserve (\$534,000).

- **Gift Trust Fund Reconciliation** – These technical actions allocate the actual revenues received in 2022-2023 that were not incorporated into the 2023-2024 Adopted Budget for existing gifts, as well as rebudgeted gifts that were anticipated to be spent in 2022-2023, but had funds remaining. The Gift Trust Fund accounts for revenues and expenditures related to gifts, donations, and bequests to the City, and funds deposited may only be used for the specified gifts as indicated.
- **Prior Year Encumbrance Liquidation** – These actions appropriate funding for prior year encumbrances that were liquidated in 2022-2023 and fell to the fund’s ending fund balance. These encumbrances were for a specific contract and due to various reasons, the current vendor was unable to fulfill the obligations under the contract. It is recommended that the funding be appropriated and re-encumbered for the same purpose but with a different vendor.
- **Restricted Revenue/Expenditure Reconciliations** – These actions adjust appropriations to align budgeted revenues and expenses with the actual performance of restricted revenues/expenditures. Reconciliations of these revenues and expenditures for these programs are conducted to determine if revenues exceeded or fell below costs. To meet the commitment to the restricted funding source, all related funds are used solely to support the respective programs. Some examples of these program reconciliations with actions recommended in this report include:
 - 4th Street Garage Banquet Facility Maintenance and Operations
 - Artificial Turf Capital Replacement Reserve
 - Certified Access Specialist Program (CASP)
 - Contractual Street Tree Planting
 - Digital Inclusion Program
 - Public, Education, and Government (PEG) Access Program
 - Cardroom Regulation Fee
- **Restricted Revenue/Expenditure Special/Capital Fund Reconciliations** – These actions adjust appropriations to align budgeted revenues and expenses with the actual performance within a Special/Capital Fund. Transfers are made in the Special/Capital Fund from subaccounts within the respective Special/Capital Fund with corresponding actions to reserves or the Ending Fund Balance associated with the subaccount. Examples of Funds with the subaccounts are the Contingent Lien District Fund, Construction Excise Tax Fund, and Multi-Source Housing Fund.

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General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

Required Technical-Rebalancing Actions

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel)	Airport Department	\$200,000	-

This action increases the Transfer from the General Fund to the Airport Revenue Fund for the estimated Jet Fuel Local Sales Tax from July 2023 to June 2024 by \$200,000, from \$400,000 to \$600,000. Per Federation Aviation Administration (FAA) policy, Sales Tax revenue related to jet fuel sales that are located at Airport properties must be returned to the Airport. This FAA policy applies to sales tax that went into effect after December 31, 1987. Given this timeframe, the City of San José's General Sales Tax is exempt from this regulation as it was in effect before December 31, 1987; however, the Local Sales Tax effective October 2016, must follow the FAA policy. In 2022-2023, jet fuel related Local Sales Tax collections totaled approximately \$600,000; therefore, this action increases the estimated 2023-2024 transfer to align the revenue with prior year activity levels.

Non-Personal/Equipment (Post Street Traffic Closure Pilot Program)	City Manager - Office of Economic Development and Cultural Affairs	\$50,000	-
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This action increases the Office of Economic Development and Cultural Affairs Non-Personal/Equipment appropriation by \$50,000 to extend the Post Street Traffic Closure Pilot Program through June 30, 2024, as directed by the Rules and Open Government Committee at its August 30, 2023 meeting. Post Street has undergone full closures, subsequent reopenings, and partial closures between South First Street and Lightston Alley for the last three years, starting during the pandemic as part of the San José Al Fresco program. Closure of the street to automobile traffic is aimed at increasing foot traffic to the businesses in the area. This action will fund the costs of permitting, inspections, and temporary barrier setup and takedown. As part of the development of the 2024-2025 Proposed Operating Budget, the Administration is directed to return to City Council with a Manager's Budget Addendum analyzing the costs to continue the Post Street Traffic Closure Pilot Program through December 31, 2024, and to permanently close Post Street to automobile traffic. This action is offset by a corresponding reduction to the Storefront Activation Grant Program described elsewhere in this report.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Sports Authority (2023 U.S. Gymnastics Championships)</p> <p>This action increases the Sports Authority City-Wide Expenses appropriation by \$100,000, from \$678,236 to \$778,236, to address a funding shortfall for San José Sports Authority host requirements related to the 2023 USA Gymnastics (USAG) Championships bid fee of \$250,000. As part of the 2023-2024 Adopted Budget, \$150,000 was allocated for the USAG Championships; however, the Sport Authority's requested contribution from the City was insufficient, leaving a funding shortfall of \$100,000. This action will provide the full funding necessary for the bid fee. The USAG Championships was broadcast live by NBC from August 24-27, with primetime nationwide coverage on Friday, Saturday, and Sunday providing visibility for the City of San José and enhancing its image as a destination city. Approximately 2,500 members of the USA Gymnastics community were estimated to attend the national congress and trade show at the San José McEnery Convention Center, yielding economic benefits by stimulating downtown business activity and creating jobs for area hotels, restaurants, bars, transportation, and especially event venues - SAP Center and San José McEnery Convention Center. Visit San José estimated an economic impact for the 2023 USAG Championships of approximately \$7.81 million, with 4,189 total room nights, and event guest spending that yielded an approximate return of \$31 for every \$1 dollar invested by the City of San José.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>	<p>\$100,000</p>	<p>-</p>
<p>Storefront Activation Grant Program</p> <p>This action decreases the Storefront Activation Grant Program appropriation by \$50,000, from \$750,000 to \$700,000, to reallocate funds to the Office of Economic Development and Cultural Affairs Non-Personal/Equipment appropriation to extend the Post Street Traffic Closure Pilot program through June 30, 2024, as directed by the Rules and Open Government Committee at its August 30, 2023 meeting. Post Street has undergone full closures, subsequent reopenings, and partial closures between South First Street and Lightston Alley for the last three years, starting during the pandemic as part of the San José Al Fresco program. Closure of the street to automobile traffic is aimed at increasing foot traffic to businesses in the area. The funding will provide for the costs of permitting, inspections, and temporary barrier setup and takedown. As part of the development of the 2024-2025 Proposed Operating Budget, the Administration is directed to return to City Council with a Manager's Budget Addendum analyzing the costs to continue the Post Street Traffic Closure Pilot Program through December 31, 2024, and to permanently close Post Street to automobile traffic.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>	<p>(\$50,000)</p>	<p>-</p>

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Fire Training Center Relocation	Fire Department	\$125,000	-

This action increases the Fire Training Center Relocation appropriation by \$125,000, from \$1.4 million to \$1.5 million, to offset higher than expected close out expenses. This project is scheduled to be fully completed by June 2024 with a full beneficial use in October 2023.

Non-Personal/Equipment (Ambulance Transport)	Fire Department	\$75,000	-
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This action increases the Fire Department's Non-Personal/Equipment appropriation by \$75,000 to complete the feasibility study and Request for Proposal (RFP) development through the existing agreement with an external consulting agency for the County of Santa Clara's ambulance transport RFP, which is anticipated to be released in 2024.

Business Taxes	General Fund Revenue	-	-
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This action aligns the 2023-2024 budgeted estimate for the General Business Tax and Cardroom Tax with the anticipated collection levels. Due to higher than anticipated 2022-2023 General Business Tax collections, the 2023-2024 receipts can drop by 8% to meet the budgeted estimate of \$27.5 million. As 2023-2024 General Business Tax receipts are not anticipated to drop, a recommendation is included to increase the 2023-2024 estimate by \$2.0 million (from \$27.5 million to \$29.5 million). Offsetting this adjustment is an action to decrease the Cardroom Tax budgeted estimate by \$2.0 million, from \$32.0 million to \$30.0 million. This action is recommended to align the 2023-2024 budgeted estimate with the 2022-2023 collection level.

Transfers and Reimbursements (Transfer from American Rescue Plan Fund)	General Fund Revenue	-	\$2,244,132
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This action increases the revenue estimate for Transfers and Reimbursements to recognize a transfer of \$2.2 million from the American Rescue Plan Fund, reflecting the remaining balance in the fund due to accumulated interest earnings and liquidated encumbrances, to support workstreams previously funded by the American Rescue Plan Act and shifted to the General Fund in 2022-2023. As described elsewhere in this report, this amount serves as a contribution to the \$15.0 million allocated for Emergency Interim Housing Construction and Operation.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Transfers and Reimbursements (Transfer from Municipal Golf Course Fund)	General Fund Revenue	-	\$5,397

This action increases the estimate for Transfers and Reimbursements by \$5,397 for reimbursement to the General Fund for Golf Course Insurance Premiums. The golf course operator reimburses the City for the insurance premium, which is expensed from the General Fund. Corresponding actions to recognize revenue and establish a Transfer to the General Fund in the Municipal Golf Course Fund are recommended elsewhere in this report.

Emergency Interim Housing Construction and Operation	Housing Department	\$15,000,000	-
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As previously directed by the City Council, increases the Emergency Interim Housing Construction and Operation appropriation by \$15.0 million, from \$14.5 million to \$29.5 million, to supplement current year and future year resources for the development, design, construction, and operation of interim housing sites. As part of their approval of the Mayor's June Budget Message for Fiscal Year 2023-2024 and the 2023-2024 Adopted Operating Budget, the City Council directed the allocation of up to \$15.0 million from the General Fund Ending Fund Balance over two years for interim shelter and other homeless support program costs if additional funding was available. Given the availability of Ending Fund Balance in this report; the continued prioritization of the City Council and community to address unsheltered homelessness; that the City continues to move forward with interim housing development at Rue Ferrari, Cerrone, Cherry, as well as a cost-benefit analysis of Via Del Oro scheduled for City Council consideration at their meeting on October 17, 2023; and the significant resource needs for these critical programs, this action allocates the full \$15.0 million to support the near-term development and operating costs of interim housing.

Non-Personal/Equipment (Recruitment)	Independent Police Auditor's Office	\$50,000	-
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This action increased the Independent Police Auditor's Office Non-Personal/Equipment appropriation by \$50,000 for professional recruiting services. The Independent Police Auditor position is currently vacant, and these funds will fund a professional recruiting company to do an in-depth recruiting and marketing strategy for this critical position in the organization.

City Attorney's Office Outside Litigation Reserve	Office of the City Attorney	\$510,000	-
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This action increases the City Attorney's Office Outside Litigation Reserve by \$510,000, from \$490,000 to \$1.0 million, to restore funding to needed levels following the reallocation of funding to the City Attorney's Office during 2022-2023 for outside legal services.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Non-Personal/Equipment (Outside Counsel)	Office of the City Attorney	\$100,000	-
<p>This action increases the Office of the City Attorney's Non-Personal/Equipment appropriation by \$100,000, as the existing budget is insufficient to provide the necessary level funding for specialized expertise and services that are expected to be provided by contracted outside counsel.</p>			
Community and Economic Recovery Reserve	Office of the City Manager	\$1,350,000	-
<p>This action increases the Community and Economic Recovery Reserve by \$1.35 million, from \$10.15 million to \$11.5 million, to support recovery workstreams and initiatives. This reserve was originally established with City Council's approval of the 2021-2022 Mid-Year Budget Review to capture savings from previously authorized community and economic recovery efforts and for the potential continuation of existing workstreams. This increase of \$1.35 million is a result of additional savings from recovery initiatives that were shifted from the American Rescue Plan Fund to the General Fund as part of Item 3.1, as approved by the City Council at its May 25, 2023 Special Meeting. This revised funding level is anticipated to provide sufficient funding for the City's potential financial commitment toward the Isolation and Quarantine program managed by the County of Santa Clara, which is anticipated to be brought before the City Council later in the fiscal year.</p>			

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Contingency Reserve	Office of the City Manager	\$1,000,000	-

This action increases the Contingency Reserve by \$1.0 million, from \$47.0 million to \$48.0 million, in accordance with Council Policy 1-18 which provides for the maintenance of a minimum 3% Contingency Reserve in the General Fund to meet unexpected circumstances arising from financial and/or public emergencies that require immediate funding that cannot be met by any other means. The current Contingency Reserve level of \$47.0 million was established in the 2023-2024 Base Budget, as the reserve is calculated against Base Budget expenditures and an assumed amount of funding that will be rebudgeted at fiscal year-end. This action adjusts the Contingency Reserve to account for the remaining balances rebudgeted as part of the 2022-2023 Annual Report. In addition, a separate action included elsewhere in this report further adjusts the Contingency Reserve by \$2.0 million to account for funding allocated during the 2023-2024 Proposed Budget process and estimated savings rebudgeted as part of the Adopted Budget process. The combined actions will bring the Contingency Reserve to \$50.0 million. It is important to note, however, that if this Contingency Reserve is ever needed, it is only sufficient to cover General Fund payroll expenditures for approximately two weeks in the event of an emergency.

BeautifySJ and Encampment Waste Pick Up - BeautifySJ Consolidated Model	Parks, Recreation and Neighborhood Services Department	\$120,000	-
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This action increases the BeautifySJ and Encampment Waste Pick Up – BeautifySJ Consolidated Model appropriation by \$120,000 to fund additional support from the San José Police Department for BeautifySJ abatement activities. The amount budgeted for Police Department support for abatement activities in 2023-2024 is \$250,000; however, a total of \$580,000 was expended in 2022-2023. Increasing the existing budget by approximately 50% is anticipated to help provide the additional capacity needed to assist with abatement work. The presence and support of Police Officers ensure a safe environment by providing a visible deterrent and protection from disruption at the encampments when signs need to be posted of an upcoming abatement or an area that needs to be abated.

BeautifySJ Grants	Parks, Recreation and Neighborhood Services Department	\$99,924	-
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This action increases the BeautifySJ Grants City-Wide Expenses appropriation by \$99,924. The BeautifySJ Grant Program funds small grants to neighborhood associations, district leadership groups, emerging neighborhood groups, property owner/tenant associations, and community partner groups to implement beautification projects and neighborhood building events. Near the end of 2022-2023, PRNS received \$99,924 in unused funds from 46 groups. The unused funds will be allocated back to this program, which can then be granted to other groups for beautification projects.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Vehicle Cost Escalation)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Non-Personal/Equipment appropriation by \$200,000 to fund estimated increased costs for vehicle purchases for the Beautify San José program. These increased costs are due to supply chain issues and inflationary factors over time. Nine new vehicles for Beautify San José were previously budgeted but remain unpurchased and will be ordered in 2023-2024.</p>	Parks, Recreation and Neighborhood Services Department	\$200,000	-
<p>Police Athletic League Stadium Master Plan</p> <p>This action eliminates funding of \$400,000 from the Police Athletic League Stadium (PAL) Master Plan appropriation. Funds will be reallocated to support the conversion of the deteriorated turf field to an artificial turf field at PAL which has unanticipated costs. Funding for the PAL Master Plan appropriation was established from Memorandum Budget Addendum #7 (Use of Coleman Property Sales Proceeds) as part of the 2019-2020 Adopted Budget, as approved by City Council, for the development of a Master Plan for PAL, which is no longer needed due to the work being completed by internal staff. A corresponding action to increase the PAL Turf Replacement appropriation is recommended to offset this action.</p>	Parks, Recreation and Neighborhood Services Department	(\$400,000)	-
<p>Police Athletic League Stadium Turf Replacement</p> <p>This action increases the Police Athletic League Stadium (PAL) Turf Replacement appropriation by \$400,000, from \$2.8 million to \$3.2 million. This allocation supports the conversion of the deteriorated turf field to an artificial turf at PAL which has unanticipated costs. Funding will be reallocated from the PAL Master Plan appropriation which was established from Memorandum Budget Addendum #7 (Use of Coleman Property Sales Proceeds) as part of the 2019-2020 Adopted Budget, as approved by City Council, for the development of a Master Plan for PAL, which is no longer needed due to the work being completed by internal staff. A corresponding action to decrease the PAL Master Plan appropriation is recommended to offset this action.</p>	Parks, Recreation and Neighborhood Services Department	\$400,000	-

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Revenue from Local Agencies (Berryessa Union School District - Expanded Learning Opportunities Programs Grant)	Parks, Recreation and Neighborhood Services Department	-	\$269,648

This action increases the estimate for Revenue from Local Agencies by \$269,648 to recognize the 2023-2024 allocation of the Expanded Learning Opportunities Program (ELOP) agreement with Berryessa Union School District (BUSD). Through the ELOP agreement, BUSD provides registration fees to the City for specific students to attend the after-school program R.O.C.K. at select elementary schools in the Berryessa District. The original contract totaled \$273,600, \$3,952 of which was used in 2022-2023. This action budgets the remainder of the award to 2023-2024.

Senior Nutrition Program/Revenue from Local Agencies	Parks, Recreation and Neighborhood Services Department	\$2,006,249	\$2,019,795
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This action increases the Senior Nutrition Program City-Wide Expenses appropriation by \$2.0 million, and the corresponding estimate for Revenue from Local Agencies by \$2.0 million. Since June 2018, PRNS, in partnership with the County of Santa Clara, has contracted with a vendor to provide cooked meals to seniors at various community centers around San José through the Senior Nutrition Program. The County reimburses the City a portion of the total contract cost to provide the meals. The contract with the vendor was finalized and the cost of the program, including the City's share of the program, is less than what was assumed in the development of the 2023-2024 budget due to a reduction in the number of meals provided. Increasing expenditures from \$1.3 million to \$3.3 million will provide funding to operate the entire program (the Adopted Budget only included the City's portion), offset by increasing the estimate of Revenue from Local Agencies by \$2.0 million to account for the County's reimbursement for the program.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Pleasant Hills Golf Course)</p> <p>This action increases the Planning, Building, and Code Enforcement's Non-Personal/Equipment appropriation by \$250,000 to fund consultant services in the City-led community engagement process for the proposed redevelopment of the former Pleasant Hills Golf Course property. On April 25, 2023, City Council approved and directed the Administration to begin a City-led process of community engagement on the potential development of the former Pleasant Hills Golf Course property concurrent with consideration of a potential development application by summer 2024. This action will provide funds for a consultant to augment and assist with this process given the extensive work needed within the stipulated timeline. This work entails community engagements; developing a Guiding Principles document for Council; and updating the CEQA, General Plan, and zoning application review process, which requires significant staff and consultant involvement. The consultant will collaborate with community-based partners in an attempt to reach all elements of the community and also retain a subconsultant to assist in assessing multimodal transportation improvements.</p>	<p>Planning, Building and Code Enforcement Department</p>	\$250,000	-
<p>Solid Waste Code Enforcement Program Reserve</p> <p>This action establishes the Solid Waste Code Enforcement Program Reserve in the amount of \$680,000. The Solid Waste Code Enforcement Program is a full cost recovery program funded through fees, and the program ended 2022-2023 with expenditure savings and additional revenues totaling \$680,000. This funding will be set aside for future use by the Solid Waste Code Enforcement Program.</p>	<p>Planning, Building and Code Enforcement Department</p>	\$680,000	-
<p>Non-Personal/Equipment (Police Department Badging System Upgrade)</p> <p>This action increases the Police Department's Non-Personal/Equipment appropriation by \$150,000 to fund the replacement of the access control badging system at the Police Administration Building and Police and Communications buildings. The outdated system no longer complies with the Department of Justice requirements, prompting a replacement system. The system replacement costs a total of \$250,000 and the Police Department has the ability to absorb a portion of the costs (\$100,000), leaving a funding shortfall of \$150,000 that is resolved with this recommended action.</p>	<p>Police Department</p>	\$150,000	-

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Personal Services (Child Forensic Interviewer)	Police Department	\$112,719	-

This action increases the Police Department's Personal Services appropriation by \$112,719 to support the hiring of child forensic interviewers for the Children's Advocacy Center (CAC). The CAC supports families and children who are victims of sexual assault. The child forensic interviewers provide critical services in support of the CAC by conducting interviews and mandatory peer reviews of interviews conducted by detectives within the Department. The City of San José and the County of Santa Clara executed and entered a reimbursement agreement for \$260,000 for services between July 1, 2023 and June 30, 2024, where the City provides staffing for a part-time Child Forensic Interviewer with costs for the position to be reimbursed by the County. As part of the development of the 2023-2024 Base Budget, the revenues were recognized and budgeted; however, the corresponding increase to the Personal Services appropriation was inadvertently omitted. This action corrects the oversight and aligns the expense with the revenue budget.

Ice Centre Expansion Oversight Project	Public Works Department	\$100,000	-
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This action increases the Ice Centre Expansion Oversight Project appropriation by \$100,000 to provide funding for the Public Works Department staff time required for plan review, permit, inspection services, and approval of pay requests for the Ice Centre Expansion Project (Enhancements). A corresponding action to increase the revenue estimate for Transfer and Reimbursements in the General Fund to offset this action is also recommended elsewhere in this report.

Measure E - Interim Housing Maintenance (15% HSP)	Public Works Department	\$500,000	-
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This action increases the Measure E - Interim Housing Maintenance (15% HSP) City-Wide Expenses appropriation by \$500,000, from \$2.0 million to \$2.5 million, to support the maintenance of interim housing sites. The Public Works Department staff maintains emergency interim housing and bridge housing community facilities such as Mabury, Bernal, Rue-Ferrari, Felipe, Evans Lane, and Guadalupe. Public Works has developed a joint maintenance plan with facilities operators where the Department supports larger projects, capital replacements, and severe damage caused by nature or occupants while the facility operators are responsible for day-to-day maintenance. The Department utilizes general contractors for building repairs, and specialized contractors for landscape work, glass repairs, plumbing, and others. This action funds the contracts necessary to support Public Works staff and will be adjusted as needed. This action is offset by a corresponding decrease to the Measure E - Interim Housing Maintenance Reserve (15% HSP) as recommended in this report.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Measure E - Interim Housing Maintenance Reserve (15% HSP)	Public Works Department	(\$500,000)	-

The action decreases the Measure E - Interim Housing Maintenance Reserve (15% HSP) by \$500,000, from \$3.0 million to \$2.5 million, to reallocate funds to the Measure E - Interim Housing Maintenance (15% HSP) City-Wide Expenses appropriation.

Non-Personal/Equipment (City-Owned Property Management and Maintenance)	Public Works Department	\$375,000	-
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This action increases the Public Works Department's Non-Personal/Equipment appropriation by \$375,000 to provide funding to address maintenance needs to various City-owned properties. Funding will be used to demolish a vacant building located on Taylor Street and for immediate repairs and security needs prior to the demolition of the building (\$175,000). The vacant property should be demolished for safety and cost-effective reasons since trespassers vandalize the property or light fires inside for heating and cooking. Funding is also needed to address unanticipated property maintenance such as replacing the HVAC system at 3Below or changing the fire control panel and building management system at 88 S. 4th Street prior to new tenants moving in (\$200,000). The Public Works Department will work closely with the Office of Economic Development and Cultural Affairs' Real Estate Division to address and prioritize emergency property management and maintenance needs. The ongoing costs for property management and maintenance needs will be incorporated into the development of the 2024-2025 Base Budget.

Non-Personal/Equipment (Civic Center Contractual Security Services)	Public Works Department	\$75,000	-
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This action increases the Public Works Department's Non-Personal/Equipment appropriation by \$75,000 for contractual security services at the Civic Center. The additional security services will be coordinated between the Public Works Department, Police Department, and the City Manager's Office and will help increase safety for the public, City staff, and visitors at City Hall and the Dr. Martin Luther King Jr. Library. The added levels of security will help provide more visibility and active response to any situations arising between City Hall, the employee garage, Fourth Street Garage, and Dr. Martin Luther King Jr. Library.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
San José Museum of Art Cooling Tower Replacement	Public Works Department	\$150,000	-
<p>This action increases the San José Museum of Art Cooling Tower Replacement appropriation by \$150,000, from \$2.85 million to \$3.0 million, to fund immediate repairs and temporary cooling and humidity equipment until the replacement of the new cooling tower is completed. The cooling tower has been breached due to old age and deterioration, already causing the water content to leak, and with a higher level risk of a complete breach with all water being released causing human, art, and facility harm. Currently, there is a new cooling tower replacement project funded which is awaiting to be bid, awarded, and completed. In the meantime, this additional funding will provide for an interim solution until the larger project moves forward.</p>			
Transfers and Reimbursements (Transfer from Ice Centre Revenue Fund)	Public Works Department	-	\$100,000
<p>This action increases the revenue estimate for Transfers and Reimbursements by \$100,000 to reflect funding from the Ice Centre Revenue Fund. This funding reimburses the City for staff time required for plan review, permit, inspection services, and approval of pay requests. A corresponding action to re-establish the Ice Centre Expansion Oversight Project appropriation in the General Fund is recommended elsewhere in this report.</p>			
Unanticipated/Emergency Maintenance (Civic Center Elevator Repairs and Assessment)	Public Works Department	\$400,000	-
<p>This action increases the Unanticipated/Emergency Maintenance appropriation by \$400,000, from \$1.3 million to \$1.7 million to fund an assessment of all the elevators in the Civic Center and initial funding for as needed repairs and maintenance of the elevators. Due to the aged elevator system infrastructure at the Civic Center and recent reliability issues, there is a need to update and modernize controls equipment and infrastructure for the elevators within the facility. The current system infrastructure is consistently experiencing issues, with users stuck in cabs for periods of time, and other units being offline for longer periods, with some out-of-service for more than one year. This funding will set aside dedicated funding for an assessment necessary to develop a scope for a future major renovation project and to start repairs and maintenance which will help run operations smoothly in the Civic Center.</p>			
Required Technical-Rebalancing Actions		\$23,228,892	\$4,638,972

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

Grants-Reimbursements-Fees

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment/Revenue from Federal Government (Economic Development Administration)</p> <p>This action increases the Non-Personal/Equipment appropriation to the Office of Economic Development and Cultural Affairs and the corresponding estimate for Revenue from Federal Government by \$287,611 to reflect reimbursements from the U.S. Economic Development Administration for expenditures, including through Manufacture San José and the San José Downtown Association. The Economic Development Administration Grant provides assistance and support to small businesses and manufacturers.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>	\$287,611	\$287,611
<p>Santa Clara County Public Art Services/Revenue from Local Agencies</p> <p>This action establishes the Santa Clara County Public Art Services City-Wide Expenses appropriation in the amount of \$200,000 and increases the corresponding estimate for Revenue from Local Agencies to support public art professional services provided by the Office of Economic Development and Cultural Affairs (OEDCA) per agreement with the County of Santa Clara (County). The professional services agreement with the County, approved by the City Council at its June 20, 2023 meeting (Item 2.14), enables OEDCA staff to provide project management services to the County for the development and implementation of the County of Santa Clara Art Program over a five-year term, with compensation to the City not to exceed \$800,000. This action recognizes the first installment (\$200,000) of advance funding received in 2023-2024 to support corresponding staff costs.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>	\$200,000	\$200,000
<p>Clean Creeks, Healthy Watersheds/Revenue from Federal Government</p> <p>This action establishes the Clean Creeks, Healthy Watersheds City-Wide Expenses appropriation in the amount of \$384,000, and increases the estimate for Revenue from the Federal Government in the same amount to recognize the 2023-2024 installment of the Clean Creeks, Healthy Watersheds Grant provided by the Environmental Protection Agency. This grant, awarded in 2021 and approved by Council on June 22, 2021, provides a total of \$1.54 million over four years, from June 2021 through July 2025, to support creek cleanup, watershed beautification, and ecological restoration activities. Along with matching City resources, this grant will provide support for both City work for these activities as well as contracts with non-profit organizations such as Keep Coyote Creek Beautiful and the South Bay Clean Creeks Coalition to conduct volunteer trash cleanup events and engage in community outreach and education efforts.</p>	<p>Environmental Services Department</p>	\$384,000	\$384,000

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
California Joint Apprenticeship Committee Program/Other Revenue	Fire Department	\$14,650	\$14,650

This action establishes the California Firefighters Joint Apprenticeship Committee Program (Cal-JAC) City-Wide Expenses appropriation by \$14,650 and increases the corresponding estimate for Other Revenue to support the Fire Department's operational needs such as personal protective equipment (PPE) and training related expenses. As participants of the local branch of the Cal-JAC program, the San José Fire Department is committed to comply and make resources available to all sworn personnel that complies with the State Board of Fire Services and National Fire Protection Authority Standards

Library Grants/Revenue from State of California (California Library Literacy and English Acquisition Services ESL Grant)	Library Department	\$116,108	\$116,108
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This action increases the Library Grants City-Wide Expenses appropriation and the corresponding estimate to Revenue from the State of California by \$116,108 to recognize the California Library Literacy Services (CLLS) English as a Second Language (ESL) Grant. The CLLS ESL Grant will support the purchase of books, materials, and software to support literacy services and programming. This literacy and language learning program seeks to increase English language competency for adults and children by providing one-to-one or small group learning sessions with trained volunteer tutors.

Library Grants/Revenue from State of California (Library Services and Technology Act: Holistic Initiative Grant)	Library Department	\$60,363	\$60,363
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This action increases the Library Grants City-Wide Expenses appropriation and the corresponding estimate to Revenue from State of California by \$60,363 to recognize the Library Services and Technology Act (LSTA) Holistic Initiative grant from the California State Library. This grant will support the expansion of social workers at Library branches, allowing the Library to foster healthy and safe communities.

Library Grants/Revenue from State of California (Lunch at the Library Grant)	Library Department	\$12,463	\$12,463
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This action increases the Library Grants City-Wide Expenses appropriation and the corresponding estimate to Revenue from State of California by \$12,463 to recognize the 2023-2024 portion of the Lunch at the Library Grant. This grant, which is administered by the California State Library, provides support for free summer meals at library sites.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Library Grants/Revenue from State of California (Outdoor Exploration)	Library Department	\$2,173	\$2,173

This action increases the Library Grants City-Wide Expenses appropriation and the corresponding estimate to Revenue from State of California by \$2,173 to recognize the 2023-2024 portion of the Outdoor Exploration Parks Pass Grant. This grant, which is administered by the California State Library, provides free vehicle day-use hangtags to library patrons with the goal of generating positive, measurable impacts in the areas of health, natural resource stewardship, and historical and cultural connections. The Exploration Parks passes are distributed to library jurisdictions using an equity lens to ensure those patrons typically unable to visit California State parks are given the opportunity.

SJPL Foundation Grants/Other Revenue (Coding 5K Challenge)	Library Department	\$147,000	\$147,000
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This action increases the SJPL Foundation Grants City-Wide Expenses appropriation and the corresponding estimate to Other Revenue by \$147,000 to recognize a grant provided by the San José Public Library Foundation. This funding will support the addition of an overstrength Literacy Program Specialist position to support the administration of the Library's Coding5K Challenge program, which provides resources for computer programming lessons and activities for children and teens at all branch library locations.

2022 Emergency Management Performance Grant/Revenue from Federal Government	Office of the City Manager	\$127,740	\$127,740
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This action establishes the 2022 Emergency Management Performance Grant (EMPG) City-Wide Expenses appropriation in the amount of \$127,740 and increases the corresponding estimate for Revenue from the Federal Government by the same amount. The Office of Emergency Management received the 2022 EMPG funding, awarded by the Federal Emergency Management Agency. The funds will be used for Emergency Operations Center technology projects and audio/visual equipment, including the purchase of 360-degree conference cameras and other equipment for wireless presentation and content sharing from their devices on a display screen. The grant performance period ends March 31, 2024.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Adaptation Planning Grant/Revenue from State of California	Office of the City Manager	\$514,970	\$514,970

This action establishes the Adaptation Planning Grant City-Wide Expenses appropriation in the amount of \$514,970 and increases the corresponding estimate for Revenue from the State of California by the same amount. The California Governor's Office of Planning and Research awarded the City an Adaptation Planning Grant in the amount of \$649,970, of which \$514,970 will be expended in 2023-2024 and the remaining funds will be spent in subsequent years. Funds will be used to develop a comprehensive climate adaptation plan that focuses on critical infrastructure as described in the City's Infrastructure Strategy and incorporates the needs of vulnerable communities. The grant performance period ends January 31, 2026.

After School Education and Safety Programs for 2023-2024/Revenue from Local Agencies	Parks, Recreation and Neighborhood Services Department	\$129,000	\$129,000
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This action establishes the After School Education and Safety Programs for 2023-2024 City-Wide Expenses appropriation and increases the estimate for Revenue from Local Agencies by \$129,000. The After School Education and Safety (ASES) is a state-funded program that awards grants to schools throughout California. Schools use the grants to contract with various agencies to provide students with comprehensive after school educational support services during the school year. In April 2023, PRNS entered into an ASES agreement with the Berryessa Union School District to provide after school services at Summerdale Elementary School through July 2024. This action appropriates the funding to execute that agreement.

Mattress Recycling Grant/Revenue from Local Agencies	Parks, Recreation and Neighborhood Services Department	\$75,000	\$75,000
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This action increases the Mattress Recycling Grant City-Wide Expenses appropriation and the corresponding estimate to Revenue from Local Agencies by \$75,000. Each year, the City participates in the Illegally Dumped Mattress Collection Initiative through the State of California's Mattress Recycling Council. Through this program, the state reimburses the City a flat amount of \$15 for every mattress or box spring collected. PRNS estimates the collection of approximately 5,000 units in 2023-2024.

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment/Other Revenue (Tree Replacement)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Non-Personal/Equipment appropriation and the corresponding estimate for Other Revenue by \$15,000 for tree replacement. A developer paid a mitigation fee to obtain a permit to remove four damaged trees in order to access its construction project. PRNS Department's Assistant Arborist evaluated the four trees and confirmed that they were burnt, dying, or dead. The \$15,000 will fund the replacement of the four trees plus another eight trees.</p>	Parks, Recreation and Neighborhood Services Department	\$15,000	\$15,000
<p>Non-Personal/Equipment/Revenue from Local Agencies (Santa Clara County Public Health Department SJ Recreation Preschool Grant)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Non-Personal/Equipment appropriation and corresponding estimate for Revenue from Local Agencies by \$5,000 for the Santa Clara County Public Health Department SJ Recreation Preschool Grant. In August 2022, PRNS entered into an agreement for up to \$10,000 with the County Public Health Department to train San José Recreation Preschool Program staff on the Coordinated Approach to Child Health (CATCH) Program and the Smarter Mealtimes Movement (SMM). In June of 2023, the agreement was amended to increase the maximum amount to \$40,000, and to extend the term of the agreement to September 2026. Each year, upon completion of the training, PRNS is reimbursed for an initial installment of \$5,000, and awarded an additional \$5,000 upon completion of the preschool program school year. This \$5,000 is the additional award for the completion of the 2022-2023 school year, and will be primarily used to fund program staff hours, with a small amount going towards program materials.</p>	Parks, Recreation and Neighborhood Services Department	\$5,000	\$5,000
<p>Santa Clara County Homeless Encampment Cleanup/Revenue from Local Agencies</p> <p>This action increases the Santa Clara County Homeless Encampment Cleanup City-Wide Expenses appropriation and corresponding estimate for Revenue from Local Agencies by \$170,000. In June 2022, the City entered into an agreement with Santa Clara County (SCC) to conduct homeless encampment cleanups in SCC jurisdictions within San José as needed. Following two amendments between SCC and the City, the total award is \$2.0 million with the term extended through June 2027. This action increases the funding for the cleanups from \$230,000 to \$400,000.</p>	Parks, Recreation and Neighborhood Services Department	\$170,000	\$170,000

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Santa Clara County Teen Programming Grant/Revenue from Local Agencies</p> <p>This action establishes the Santa Clara County Teen Programming Grant 2023-2024 City-Wide Expenses appropriation and corresponding estimate for Revenue from Local Agencies by \$100,000. This grant facilitates increased memberships and involvement at City-operated community centers for at-risk youth identified by the Santa Clara County Probation Department. This program is designed to help deter youth from engaging in criminal acts that would further entrench them in the juvenile justice system. The City receives \$100,000 in grant funds annually from the County Probation Department; this is the third consecutive year of the grant program.</p>	Parks, Recreation and Neighborhood Services Department	\$100,000	\$100,000
<p>Summer Youth Nutrition Program/Revenue from Federal Government</p> <p>This action increases the Summer Youth Nutrition Services Program City-Wide Expenses appropriation and the corresponding estimate for Revenue from Federal Government by \$82,165. Since 2011, PRNS has partnered with the California Department of Education's Nutrition Services to provide the Summer Food Service Program (SFSP). The SFSP is a federally funded, state-administered program that reimburses program operators who serve free, healthy meals and snacks to children and teens in low-income areas. A total of \$112,041 is budgeted in 2023-2024 for SFSP, with an additional \$82,165 recommended due to an estimated increase in the total meals served (from 38,016 to 51,388). PRNS experienced a sharp increase in demand during June 2023, and has adjusted their meal estimates for this year accordingly.</p>	Parks, Recreation and Neighborhood Services Department	\$82,165	\$82,165
<p>Internet Crimes Against Children State Grant 2022-2023/Revenue from State of California</p> <p>This action increases the Internet Crimes Against Children State Grant 2022-2023 City-Wide Expenses appropriation by \$113,852, from \$562,925 to \$676,777, and the corresponding estimate for Revenue from State of California. This action appropriates the remaining allocation of this grant in order to fund activities related to increasing the investigation and prosecution of internet crimes against children during the term of the grant (January 1, 2023 through December 31, 2023).</p>	Police Department	\$113,852	\$113,852

General Fund Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Non-Personal/Equipment/Other Revenue (Gaming Background Services)	Police Department	\$60,000	\$60,000

This action increases the Police Department's Non-Personal/Equipment appropriation by \$60,000 and the corresponding estimate for Other Revenue for background investigation services conducted by the Division of Gaming Control in the Police Department. The Police Department contracts out with a consultant to support an in-depth financial background investigation for each entity applicant and each entity associated with an individual/trust applicant. This will provide a layer of protection to make sure no criminal or financial crimes are conducted by the businesses.

Selective Traffic Enforcement Program 2023-2024/Revenue from Federal Government	Police Department	\$280,000	\$280,000
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This action establishes the Selective Traffic Enforcement Program 2023-2024 City-Wide Expenses appropriation in the amount of \$280,000 and increases the corresponding estimate for Revenue from Federal Government. The program primarily funds overtime for Police Officers to staff DUI Checkpoints/Saturation Patrols, and conduct Distracted Driving, Motorcycle Safety, Click It or Ticket, and Pedestrian/Bicycle enforcement operations. The term of the grant is October 1, 2023 through September 30, 2024.

State Homeland Security Grant Program 2023-2026/Revenue from Federal Government	Police Department	\$60,000	\$60,000
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This action establishes the State Homeland Security Grant Program – Police 2023 City-Wide Expenses appropriation in the amount of \$60,000 and increases the corresponding estimate for Revenues from Federal Government. These funds are to be utilized for the implementation of State Homeland Security Strategies to address identified planning, organization, equipment, training, and exercise needs for acts of terrorism or other catastrophic events. The term of the grant is from September 1, 2023 to May 31, 2026.

Grants-Reimbursements-Fees		\$2,957,095	\$2,957,095
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Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Airport Revenue Fund (521)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airline Agreement Reserve/Transfers and Reimbursements (Jet Fuel Local Sales Tax)	Airport Department	\$200,000	\$200,000

This action increases the Airline Agreement Reserve and the Transfer from the General Fund to the Airport Revenue Fund for the estimated Jet Fuel Local Sales Tax from July 2023 to June 2024 by \$200,000, from \$400,000 to \$600,000. Per Federation Aviation Administration (FAA) policy, Sales Tax revenue related to jet fuel sales that are located at Airport properties must be returned to the Airport. This FAA policy applies to sales tax that went into effect after December 31, 1987. Given this timeframe, the City of San José's General Sales Tax is exempt from this regulation as it was in effect before December 31, 1987; however, the Local Sales Tax effective October 2016, must follow the FAA policy. In 2022-2023 jet fuel Local Sales Tax collections totaled approximately \$600,000; therefore, this action increases the estimated 2023-2024 transfer to align the revenue with prior year activity levels.

Airport Revenue Fund (521)		\$200,000	\$200,000
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Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

American Rescue Plan Fund (402)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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Transfer to the General Fund	Finance Department	\$2,244,132	
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This action establishes a Transfer to the General Fund appropriation in the amount of \$2,244,132. This amount reflects the current remaining balance in the fund due to accumulated interest earnings and liquidated encumbrances to support workstreams previously funded by the American Rescue Plan Fund and shifted to the General Fund in 2022-2023. Due to Federal debt ceiling negotiations between the President and the U.S. Congress that had the potential to claw back any unobligated American Rescue Plan funding, on May 25, 2023, the City Council approved the reallocation of funding with the American Rescue Plan Fund and the General Fund to ensure the completion of community and economic recovery activities previously authorized by the City Council. This remaining amount will be transferred to the General Fund to serve as a contribution to the Emergency Interim Housing Construction and Operation appropriation. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.

Ending Fund Balance Adjustment	Finance Department	(\$2,244,132)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

American Rescue Plan Fund (402)

	\$0	\$0
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Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Building Development Fee Program Fund (237)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal Equipment (Plan Review - Peak Staffing)</p> <p>This action increases the Planning, Building and Code Enforcement's Non-Personal/Equipment appropriation by \$1.0 million to fund peak staffing resources to reduce the backlog of applications being reviewed by the Plan Review team. The funding will provide approximately 7,000 hours of peak staffing resources. As of September 2023, the Building Division Plan Review Team has eight engineering positions vacant and has experienced an overall 33% vacancy rate for the past year, resulting in longer response times in terms of providing the first set of comments after receiving applications. The target goal of response time is approximately 10-15 days after receiving an application. The current demands and response times are an average of 250 new construction projects in queue every week, an average of 100 resubmissions projects in queue every week, approximately 75 existing projects with overdue project cycles, and a response delay of approximately 20 days or more for first comments on applications for additions/alterations on Single Family Residences and Tenant Improvements. The use of the peak staffing resource up to this point has helped reduce the backlog and brought the Plan Review Team closer to targeted timelines for reviewing applications, and this action will continue to help the Building Division with plan reviews. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>	<p>Planning, Building and Code Enforcement Department</p>	<p>\$1,000,000</p>	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>	<p>Planning, Building and Code Enforcement Department</p>	<p>(\$1,000,000)</p>	
		<p>\$0</p>	<p>\$0</p>

Building Development Fee Program Fund (237)

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Building Homes and Jobs Act Fund (456)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Housing Shelter	Housing Department	\$78,989	
<p>This action increases the Housing Shelter appropriation by \$78,989 to appropriate interest earnings earned in 2021-2022 and 2022-2023 from the Permanent Local Housing Allocation Program (PLHA) State grant. Funding from this grant supports eligible local governments in California for housing related projects and programs that assist in addressing unmet housing needs of local communities. The additional funding will be used for continued support of sheltering operations at the Mabury and Felipe bridge housing communities. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Housing Department	\$421,011	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Housing Shelter	Housing Department	(\$500,000)	
<p>This action decreases the Housing Shelter appropriation by \$500,000 to align with the available funding from the Permanent Local Housing Allocation Program (PHLA) State grant. This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
Building Homes and Jobs Act Fund (456)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Community Development Block Grant Fund (441)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
CARES Act	Housing Department	(\$3,314,614)	
<p>This action eliminates the CARES Act appropriation of \$3.3 million, as the balance of the Community Development Block Grant Program Coronavirus Response Round 1 (CDBG CV-1) grant has been fully exhausted and this allocation is no longer necessary. These federal funds were authorized by the Coronavirus Aid, Relief and Economic Security Act (CARES Act) to prevent, prepare for, and respond to the coronavirus outbreak, and were previously deployed by the City to provide food assistance, rental assistance, and emergency interim housing. This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
Community Development Block Grant CV3	Housing Department	(\$2,500,000)	
<p>This action eliminates the Community Development Block Grant CV3 appropriation of \$2.5 million, as the balance of the Community Development Block Grant Program Coronavirus Response Round 3 (CDBG CV-3) grant has been fully exhausted and this allocation is no longer necessary. These federal funds were authorized by the Coronavirus Aid, Relief and Economic Security Act (CARES Act) to prevent, prepare for, and respond to the coronavirus outbreak, and were previously deployed by the City to provide food assistance, senior nutrition and transportation assistance, motel vouchers for vulnerable populations, and eviction prevention legal services. This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Housing Department	\$5,814,614	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Community Development Block Grant Fund (441)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Convention and Cultural Affairs Fund (536)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Insurance Expenses	Finance Department	\$2,000	
<p>This action increases the Insurance Expenses appropriation by \$2,000, from \$450,000 to \$452,000, due to increased insurance premium renewal rates. The City insurance broker provided additional information indicating premium increases to property/casualty insurance products for annual policy period starting October 1, 2023. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Transfers and Reimbursements (Transfer from Transient Occupancy Tax Fund)	City Manager - Office of Economic Development and Cultural Affairs		(\$50,587)
<p>This action decreases the revenue estimate for Transfers and Reimbursements from the Transient Occupancy Tax Fund by \$50,587, from \$11.8 million to \$11.7 million, to reflect the reconciliation of Transient Occupancy Tax (TOT) revenue for 2022-2023. Actual 2022-2023 TOT revenues and interest earnings of \$22.4 million in the TOT Fund ended slightly below the budgeted estimate by approximately \$101,173. This performance results in the decrease of \$50,587 to the Transfer from the Transient Occupancy Tax Fund, in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund. Corresponding reconciling adjustments in the Transient Occupancy Tax Fund are recommended elsewhere in this report.</p>			
Ending Fund Balance Adjustment	City Manager - Office of Economic Development and Cultural Affairs	(\$52,587)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Convention and Cultural Affairs Fund (536)		(\$50,587)	(\$50,587)

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Downtown Property And Business Improvement District Fund (302)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>General Benefit Contribution</p> <p>This action increases the General Benefit Contribution appropriation by \$46,500, from \$49,103 to \$95,603, to fund a one-time catch-up payment for the 2022-2023 general benefit contribution. The new contract for the San José Downtown Property-Based Business Improvement District (PBID) includes an annual general benefit contribution payment. The general benefit contribution pays for activities provided by the PBID that may be received by parcels contiguous to and outside the PBID and the general public. On June 14, 2022, the City Council approved the expansion and renewal of the PBID for a ten-year period from January 2023 to December 31, 2033. The one-time catch-up payment of \$46,500 payable to the San José Downtown Property Owners Association covers the period from January through June 2023 but could not be paid in 2022-2023 since the contract was not executed until June 20, 2023. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>	Transportation Department	\$46,500	
<p>Downtown Transit Mall</p> <p>This action increases the Downtown Transit Mall appropriation by \$40,713, from \$460,105 to \$500,818, to fund a one-time catch-up payment for the 2022-2023 baseline services per the new contract for the San José Downtown Property-Based Business Improvement District (PBID). On June 14, 2022, the City Council approved the expansion and renewal of the PBID for a ten-year period from January 2023 to December 31, 2033. The new PBID contract includes an increase to the annual baseline costs, which include sidewalk cleaning and public litter can services within the District that the City provided prior to the formation of the District, and that provides a general benefit to the community. The one-time catch-up payment of \$40,713 payable to the San José Downtown Property Owners Association covers the period from January through June 2023, but could not be paid in 2022-2023 since the contract was not executed until June 20, 2023. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>	Transportation Department	\$40,713	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>	Transportation Department	(\$87,213)	
Downtown Property And Business Improvement District Fund (302)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Fire Development Fee Program Fund (240)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Fire Inspection Improvements	Fire Department	(\$146,818)	
<p>This action decreases the Fire Inspection Improvements appropriation by \$146,818, from \$303,023 to \$156,205. This allocation was inadvertently added during the development of the 2023-2024 Adopted Budget. This action is offset by an increase to the Ending Fund Balance as recommended in this report.</p>			
Fire Development Fee Program - Non-Personal/Equipment (Professional and Consultant Services)	Fire Department	(\$28,800)	
<p>This action decreases the Fire Development Fee Program - Non-Personal/Equipment appropriation by \$28,800. This allocation was inadvertently added during the development of the 2023-2024 Adopted Budget and the funding is not necessary. This action corrects the budget and is offset by an increase to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Fire Department	\$175,618	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Fire Development Fee Program Fund (240)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Gift Trust Fund (139)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Mayfair Senior Programming</p> <p>This action establishes the Mayfair Senior Programming appropriation in the amount of \$7,702 to appropriate a gift that was received in 2022-2023 to support senior programming efforts. The funding will be used to develop and coordinate events, classes, and educational workshops to meet the recreational and social needs of the active adults at Mayfair Community Center. This action is offset by a corresponding decrease to the Ending Fund Balance.</p>	Parks, Recreation and Neighborhood Services Department	\$7,702	
<p>Berryessa Senior Programming/Other Revenue</p> <p>This action establishes the Berryessa Senior Programming appropriation and increases the corresponding estimate for Other Revenue by \$15,067 to support senior programming efforts. The funding will be used for ongoing senior programs and senior special events at Berryessa Community Center.</p>	Parks, Recreation and Neighborhood Services Department	\$15,067	\$15,067
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>	Finance Department	(\$7,702)	
<p>Mitty/Bevans Pedestrian Safety Project/Other Revenue</p> <p>This action establishes the Mitty/Bevans Pedestrian Safety Project in the amount of \$51,012, and a corresponding increase to the estimate for Other Revenue to recognize a gift received for the Transportation Department to install an enhanced crosswalk at the intersection of Mitty Way and Bevans Drive near Archbishop Mitty High School.</p>	Transportation Department	\$51,012	\$51,012
Gift Trust Fund (139)		\$66,079	\$66,079

**Special Funds Recommended Budget Adjustments Summary
2022-2023 Annual Report**

Home Investment Partnership Program Trust Fund (445)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Housing Project Reserve	Housing Department	\$3,000,000	
<p>This action establishes a Housing Project Reserve in the amount of \$3.0 million to provide additional capacity for the upcoming affordable housing Notice of Funding Availability and to provide funding for any unanticipated cost overruns for affordable housing projects currently in the pipeline. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Housing Department	(\$3,000,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Home Investment Partnership Program Trust Fund (445)		\$0	\$0

**Special Funds Recommended Budget Adjustments Summary
2022-2023 Annual Report**

Homeless Housing, Assistance, and Prevention Fund (454)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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Emergency Shelters	Housing Department	\$674,194	
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This action increases the Emergency Shelters appropriation by \$674,194, from \$20.7 million to \$21.4 million, to appropriate interest earnings earned in 2022-2023. The Homeless Housing, Assistance and Prevention (HHAP) Round 1 grant earned \$56,655, the Round 2 grant earned \$300,797, and the Round 3 grant earned \$316,742 for a total of \$674,194. HHAP grants were awarded to local jurisdictions, including the City of San José, from the State to support regional coordination and expand or develop local capacity to address immediate homelessness challenges. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.

Ending Fund Balance Adjustment	Housing Department	(\$674,194)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

Homeless Housing, Assistance, and Prevention Fund (454)	\$0	\$0
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Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Ice Centre Revenue Fund (432)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Other Revenue (Ice Centre Expansion Project (Enhancements))	Finance Department		\$2,087,108

This action establishes an estimate for Other Revenue in the amount of \$2,087,108 to recognize additional funds available for the Ice Centre Expansion Project. On October 15, 2020, the City of San José Financing Authority issued Taxable Lease Revenue Bonds, Series 2020B (Ice Centre Project). The bonds were issued to finance the acquisition and construction of two additional ice rinks and related facilities at the Solar4America Ice Centre. The Fourth Expansion Agreement (Agreement) between the City and Sharks Ice, LLC (Sharks) established a not-to-exceed Ice Centre Project construction fund of \$120,000,000 with a portion of these Series 2020B proceeds. With the completion of the Ice Centre Project in April 2023, there remains a balance of \$2,087,108 of construction monies, including earned interest. The Sharks have requested to use the remaining funds to improve the Solar4America Ice Centre facility, with enhancements such as electrical, plumbing, and furniture, fixtures, and equipment, which is consistent with the terms of the Agreement. Corresponding actions to re-establish the Ice Centre Expansion Project (Enhancements) in the amount of \$1,987,108 and to transfer \$100,000 to the General Fund to reimburse the City for staff time to provide oversight of the project are recommended elsewhere in this report.

Ice Centre Expansion (Enhancements)	Finance Department	\$1,987,108	
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This action re-establishes the Ice Centre Expansion Project (Enhancements) in the amount of \$1,987,108. The remaining construction monies, including earned interest from the Series 2020B (Ice Centre Project), will be used to improve the Solar4America Ice Centre facility, with enhancements such as electrical, plumbing, and furniture, fixtures, and equipment. Corresponding actions to recognize revenue for this project (\$2,087,108) and to transfer funds to the General Fund to reimburse the City for staff time to provide oversight of the project (\$100,000) are recommended elsewhere in this report.

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Ice Centre Revenue Fund (432)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfer to the General Fund - Public Works Oversight	Finance Department	\$100,000	
<p>This action establishes a Transfer to the General Fund in the amount of \$100,000 to reimburse Public Works Department's staff costs associated with the oversight of the Ice Centre Expansion Project (Enhancements) such as plan review, permit, monitoring project progress, inspection services, and approval of pay requests from Sharks. A corresponding action to recognize Other Revenue in the General Fund to offset this action is recommended elsewhere in this report.</p>			
Capital Rehabilitation Reserve	Finance Department	\$843,020	
<p>This action increases the Capital Rehabilitation Reserve by \$843,020, from \$1.2 million to \$2.0 million, to capture excess Base Rent and interest earnings from prior years that had accumulated in the Ending Fund Balance. Per the Agreement regarding the use of the Ice Centre between the City and the Sharks Ice, LLC, after paying from the Base Rent, the costs and expenses associated with the administration of the Series 2020B Bonds, including rating agency fees, trustee fees, consulting fees, and other City administrative expenses, plus ensuring a reasonable Ending Fund Balance, any excess funds should be added to this reserve. In addition, interest earnings in the various accounts held by the Bond Trustee shall be credited into this reserve. A corresponding decrease to the Ending Fund Balance is also recommended in this report.</p>			
Ending Fund Balance Adjustment	Finance Department	(\$843,020)	
<p>This action decreases the Ending Fund Balance to offset the increase to the Capital Rehabilitation Reserve as recommended in this report.</p>			
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Ice Centre Revenue Fund (432)		\$2,087,108	\$2,087,108

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Inclusionary Fee Fund (451)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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Missing Middle Affordable Housing Reserve	Housing Department	(\$10,000,000)	
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This action eliminates the Missing Middle Affordable Housing Reserve of \$10.0 million. Upon direction from the City Council-approved Mayor's March Budget Message for Fiscal Year 2019-2020, \$10.0 million was earmarked as one-time funds in the 2019-2020 Adopted Budget to explore creation of a program assisting "missing middle" workers with financing a home. These are workers or families that traditionally receive no subsidies because they do not qualify for lower-income programs, and cannot afford market rate housing for higher income residents. The purpose was to leverage potential State funding and private investment to provide loans. The Housing Department has explored the feasibility of this program and is unable to operate this program at this time without an ongoing or dedicated source of funding. It is recommended to reallocate these funds to the Housing Project Reserve for the Housing Department's upcoming affordable housing Notice of Funding Availability. This action is offset by a corresponding increase to the Housing Project Reserve as recommended in this report.

Housing Project Reserve	Housing Department	(\$30,000,000)	
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This action decreases the Housing Project Reserve by a net \$30.0 million, from \$40.0 million to \$10.0 million. Included in this action is an increase of \$10.0 million as a result of the elimination of the Missing Middle Affordable Housing Reserve and a decrease of \$40.0 million to reallocate funding that was previously committed to affordable housing development projects to the Committed Projects Reserve. The Housing Project Reserve provides capacity for the upcoming affordable housing Notice of Funding Availability and to provide funding for any unanticipated cost overruns for affordable housing projects currently in the pipeline. Corresponding actions to offset this action are recommended in this report.

Committed Projects Reserve	Housing Department	\$40,000,000	
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This action establishes the Committed Projects Reserve in the amount of \$40.0 million to set aside funding for affordable housing projects the City has already committed to funding. This action is offset by a corresponding decrease to the Housing Project Reserve as recommended in this report.

Inclusionary Fee Fund (451)

		\$0	\$0
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Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Low And Moderate Income Housing Asset Fund (346)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Housing Loans and Grants (The Algarve Development)	Housing Department	(\$10,500,000)	
<p>This action decreases the Housing Loans and Grants appropriation by \$10.5 million to reallocate funding to the Housing Project Reserve to set aside funding for future affordable housing projects. The Algarve Development (also known as The Dahlia) affordable housing project was approved for a City loan of \$10.5 million, which City Council approved on August 16, 2021, but the developer did not move forward in a timely manner and the City rescinded its commitment to the project. This action is offset by a corresponding increase to the Housing Project Reserve as recommended in this report.</p>			
Housing Loans and Grants (The Vela Apartments)	Housing Department	\$300,000	
<p>This action increases the Housing Loans and Grants appropriation by \$300,000 for the Vela Apartments affordable housing project. The Vela Apartments, also known as Alum Rock Family Housing, experienced increased development costs since approval of the project. This action will provide the necessary funding to complete development. This action is offset by a corresponding decrease to the Housing Project Reserve as recommended in this report.</p>			
Housing Project Reserve	Housing Department	\$23,200,000	
<p>This action establishes a Housing Project Reserve of \$23.2 million to provide additional capacity for the upcoming affordable housing Notice of Funding Availability and to provide funding for any unanticipated cost overruns for affordable housing projects currently in the pipeline. This action is offset by a corresponding net decrease to the Housing Loans and Grants appropriation for the Algarve Development and Vela Apartments, and a decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Housing Department	(\$13,000,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
Low And Moderate Income Housing Asset Fund (346)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Housing Loans and Grants	Housing Department	(\$2,158,002)	
<p>This action eliminates the Housing Loans and Grants appropriation of \$2.2 million as funding for a project is no longer required. Funding was set aside in the Multi-Source Housing Fund for an affordable housing project loan for the Habitat for Humanity project at 101 S. Jackson, but the project was instead budgeted in the Affordable Housing Impact Fee Fund. This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
Emergency Shelters	Housing Department	\$180,526	
<p>This action increases the Emergency Shelters appropriation by \$180,526, from \$3.0 million to \$3.2 million, to appropriate interest earnings earned in 2022-2023 from the Housing Authority Litigation Award grant. The additional funding will be used for continued support of sheltering operations at Project HomeKey hotel/motel sites. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Project HomeKey	Housing Department	\$79,165	
<p>This action establishes a Project HomeKey appropriation of \$79,165 to appropriate interest earnings earned in 2022-2023 from the State's Project Homekey funds. The Homekey program is a grant from State funds to local public entities to acquire, develop and operate a broad range of housing types, including but not limited to hotels, motels, and multifamily apartments, to convert commercial properties and other existing buildings to permanent or interim housing for persons experiencing homelessness or risk of homelessness. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
HOPWA PSH	Housing Department	(\$1,176,498)	
<p>This action decreases the HOPWA PSH appropriation by \$1,176,498, from \$1.3 million to \$141,891, to align with the remaining funds in the Housing Opportunities for Persons with AIDS (HOPWA) Permanent Supportive Housing (PSH) three-year competitive grant. Funds were used to provide permanent supportive housing to participants and their families who are affected by human immunodeficiency virus (HIV) or acquired immunodeficiency syndrome (AIDS). This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Encampment Resolution Funding Grant	Housing Department	\$32,232	
<p>This action increases the Encampment Resolution Funding Grant appropriation by \$32,232, from \$970,843 to \$1,003,075, to appropriate interest earnings earned in 2022-2023 from the Encampment Resolution Funding Grant. The grant funds local demonstration projects that provide services to address the individuals experiencing homelessness in encampments. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Eviction Diversion Program/Revenue from State of California	Housing Department	\$2,000,000	\$2,000,000
<p>This action establishes the Eviction Diversion Program appropriation and increases the corresponding estimate for Revenue from the State of California by \$2.0 million. The State of California passed a balanced budget agreement for fiscal year 2023-2024, Senate Bill 101, which later included amendments from Assembly Bill 102 (AB 102) with final negotiated budget items. As part of AB 102, the City of San José received a \$2.0 million direct allocation to support the Eviction Diversion Program. This program provides landlords and tenants a continuum of services to help avoid eviction court orders by reaching a settlement plan that works for both parties. This program provides for rental assistance and social services to help address the root problems of disputes.</p>			
Ending Fund Balance Adjustment	Housing Department	\$512,577	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Recovery Act - Neighborhood Stabilization Program 2	Housing Department	(\$70,000)	
<p>This action decreases the Recovery Act - Neighborhood Stabilization Program 2 appropriation by \$70,000, from \$100,000 to \$30,000, to align revenues with projected expenses. This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
Homeless Rapid Rehousing	Housing Department	\$2,600,000	
<p>This action increases the Homeless Rapid Rehousing appropriation by \$2.6 million, from \$4.7 million to \$7.3 million, to appropriate available fund balance to support homeless rapid rehousing efforts. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfer to the Multi-Source Housing Fund (Homeless Emergency Aid Program)	Housing Department	\$490,410	
<p>This action establishes a Transfer to the Multi-Source Housing Fund to close out the Homeless Emergency Aid Program (HEAP) Fund, which is a memo fund within the Multi-Source Housing Fund. This action transfers the remaining balance of \$490,410 from the HEAP Fund to the Multi-Source Housing Fund. The HEAP Program was a one-time State of California block grant program created in 2018 to provide funds to assist persons experiencing homelessness or at risk of homelessness. This action is offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements to recognize the transfer from the HEAP Fund as recommended in this report.</p>			
Transfers and Reimbursements (Transfer from the Homeless Emergency Aid Program Fund)	Housing Department		\$490,410
<p>This action establishes a revenue estimate for Transfers and Reimbursements to recognize a transfer from the Homeless Emergency Aid Program (HEAP) Fund, a memo fund within the Multi-Source Housing Fund, to close out the HEAP Fund and transfer the remaining balance of \$490,410 to the Multi-Source Housing Fund. The HEAP Program was a one-time State of California block grant program created in 2018 to provide funds to assist persons experiencing homelessness or at risk of homelessness. This action is offset by a corresponding transfer to the Multi-Source Housing Fund as recommended in this report.</p>			
Multi-Source Housing Fund (448)		\$2,490,410	\$2,490,410

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Municipal Golf Course Fund (518)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Rancho Del Pueblo Golf Course This action establishes an appropriation for the Rancho Del Pueblo Golf Course in the amount of \$173,470. In April, the Parks, Recreation and Neighborhood Services Department (PRNS) began a newly structured, revenue-sharing operating agreement with the City's golf course operator. A reconciliation of the previous operating agreement that terminated in March revealed a balance due of \$173,470 comprised of carryover liabilities in the amount of \$91,256, Rancho Del Pueblo Golf Course management fees totaling \$68,214, and invoices totaling \$14,000. This action will be offset by a decrease to the Ending Fund Balance recommended in this report.	Parks, Recreation and Neighborhood Services Department	\$173,470	
Transfer to the General Fund - Golf Course Insurance Premium/Revenue from the Use of Money/Property This action establishes a Transfer to the General Fund of \$5,397 for payment of Golf Course Insurance Premiums and increases the estimate for Revenue from the Use of Money/Property by \$5,397, from \$800,000 to \$805,397. The golf course operator is responsible for payment of insurance premiums owed at the City's three golf courses, which is expensed from the General Fund. A corresponding action to increase the Transfers and Reimbursements in the General Fund is recommended elsewhere in this report.	Parks, Recreation and Neighborhood Services Department	\$5,397	\$5,397
Ending Fund Balance Adjustment This action decreases the Ending Fund Balance to offset the corresponding actions recommended in this report.	Parks, Recreation and Neighborhood Services Department	(\$173,470)	
Municipal Golf Course Fund (518)		\$5,397	\$5,397

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Planning Development Fee Program Fund (238)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Zoning Conformance - Peak Staffing)</p> <p>This action increases the Planning, Building and Code Enforcement's Non-Personal/Equipment appropriation by \$135,000 to fund peak staffing resources to reduce the backlog at the Permit Center. Over the past 24 months, the Permit Center has experienced a 183% increase in zoning conformance reviews creating a backlog of up to seven months or an equivalent of approximately 500 labor hours. The high volume of permit activity is largely driven by single-family home remodels during the pandemic and pent-up demand for new construction and commercial tenant improvements. In addition, the Permit Center's backlog has been compounded by the number of vacated positions due to team rotations and departures. This action will provide approximately 675 hours of peak staffing resources and is anticipated to return operations back to regular service levels. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>	<p>Planning, Building and Code Enforcement Department</p>	<p>\$135,000</p>	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>	<p>Planning, Building and Code Enforcement Department</p>	<p>(\$135,000)</p>	
		<p>\$0</p>	<p>\$0</p>
Planning Development Fee Program Fund (238)			

**Special Funds Recommended Budget Adjustments Summary
2022-2023 Annual Report**

Rental Stabilization Program Fee Fund (450)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Hearing Officer Consultant Services)	Housing Department	\$200,000	
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This action increases the Housing Department's Non-Personal/Equipment appropriation by \$200,000, from \$353,515 to \$553,515, to fund new hearing officer consultant services agreement resulting from a planned winter 2023 Request for Proposal. The hearing officers will support the Eviction Help Center. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.

Ending Fund Balance Adjustment	Housing Department	(\$200,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

Rental Stabilization Program Fee Fund (450)	<hr style="border: 1px solid black;"/>	\$0	\$0
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Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

San José Arena Capital Reserve Fund (459)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Previously Approved Repairs Reserve	Office of the City Manager	(\$623,260)	
<p>This action decreases the Previously Approved Repairs Reserve appropriation by \$623,260 to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at SAP Center. Corresponding increases to the Electrical Repairs (\$254,185), Mechanical Repairs (\$198,574), Structures Repairs (\$96,207), and Unanticipated/Emergency Repairs (\$74,294) appropriations are recommended in this report.</p>			
Electrical Repairs	City Manager - Office of Economic Development and Cultural Affairs	\$254,185	
<p>This action increases the Electrical Repairs appropriation by \$254,185, from \$255,000 to \$509,185, to provide funding for reimbursements to Sharks Sports Entertainment for capital repairs to the lighting system and to purchase and install televisions at the SAP Center. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>			
Mechanical Repairs	City Manager - Office of Economic Development and Cultural Affairs	\$198,574	
<p>This action increases the Mechanical Repairs appropriation by \$198,574, from \$1.0 million to \$1.2 million, to provide funding for reimbursements to Sharks Sports Entertainment for capital repairs at the SAP Center, including the plexiglass, security, kitchen fire suppression system, and elevators. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>			
Structures Repairs	City Manager - Office of Economic Development and Cultural Affairs	\$96,207	
<p>This action increases the Structures Repairs appropriation by \$96,207, from \$2.1 million to \$2.2 million, to provide funding for reimbursements to Sharks Sports Entertainment for repairs to structures, including painting and netting at the SAP Center. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>			
Unanticipated / Emergency Repairs	City Manager - Office of Economic Development and Cultural Affairs	\$74,294	
<p>This action increases the Unanticipated/Emergency Repairs appropriation by \$74,294, from \$200,000 to \$274,294 to provide funding for reimbursements to Sharks Sports Entertainment for unanticipated capital improvement repairs to the awning and the ice makers at the SAP Center. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>			
San José Arena Capital Reserve Fund (459)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Sewer Service And Use Charge Fund (541)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Environmental Services Department	(\$586,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			
Non-Personal/Equipment (Sanitary Sewer Odor Control)	Transportation Department	\$286,000	
This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$286,000 due to a cost increase of ferrous chloride for sewer odor control. The cost per dry ton has increased from \$925 in 2022-2023 to \$1,115 in 2023-2024. The Sanitary Sewer Program utilizes an estimated 1,500 dry tons of ferrous chloride annually. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report. The higher cost per dry ton of ferrous chloride will be incorporated into the 2024-2025 Base Budget.			
Non-Personal/Equipment (Sanitary Sewer Vehicle Replacements)	Transportation Department	\$300,000	
This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$300,000 to fund increased costs to replace vehicles. Three combination sewer cleaning trucks have increased in price due to continuing supply chain issues and the addition of safety and operational components for the vehicles. Additional funding is needed to cover the portion of the cost increases that cannot be absorbed in the existing budget for vehicle replacements. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.			
Sewer Service And Use Charge Fund (541)		\$0	\$0

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Transient Occupancy Tax Fund (461)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>San José Convention and Visitors Bureau (TOT Revenue Reconciliation)</p> <p>This action decreases the San José Convention and Visitors Bureau appropriation by \$25,293, from \$6.07 million to \$6.05 million, to reflect the reconciliation of Transient Occupancy Tax (TOT) revenue for 2022-2023. Actual 2022-2023 TOT revenues and interest earnings of \$22.4 million in the TOT Fund ended slightly below the budgeted estimate by 101,173. This performance results in the decrease of \$25,293 to the San José Convention and Visitors Bureau appropriation, in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund. Additional adjustments to decrease the Transfer to the Convention and Cultural Affairs Fund and to increase the Cultural Grants Reserve to reflect rebudgeted savings are recommended in this report.</p>	City Manager - Office of Economic Development and Cultural Affairs	(\$25,293)	
<p>Transfer to the Convention and Cultural Affairs Fund (TOT Revenue Reconciliation)</p> <p>This action decreases the Transfer to the Convention and Cultural Affairs Fund by \$50,587, from \$11.8 million to \$11.7 million, to reflect the reconciliation of Transient Occupancy Tax (TOT) revenue for 2022-2023. Actual 2022-2023 TOT revenues and interest earnings of \$22.4 million in the TOT Fund ended slightly below the budgeted estimate by 101,173. This performance results in the decrease of \$50,587 to the Transfer to the Convention and Cultural Affairs Fund, in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund. Additional adjustments to decrease the San José Convention and Visitors Bureau appropriation and to increase the Cultural Grants Reserve to reflect rebudgeted savings are recommended in this report.</p>	City Manager - Office of Economic Development and Cultural Affairs	(\$50,587)	

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Transient Occupancy Tax Fund (461)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Cultural Grants Reserve (TOT Revenue Reconciliation and Rebudget)	City Manager - Office of Economic Development and Cultural Affairs	\$525,986	
<p>This action increases the Cultural Grants Reserve by \$525,986, from \$2.5 million to \$3.0 million, to reflect the reconciliation of Transient Occupancy Tax (TOT) and special event permit revenue for 2022-2023, as well as the rebudgeting of remaining savings from the Cultural Grants and Cultural Grants Administration appropriations that were not previously rebudgeted during the development of the 2023-2024 Adopted Operating Budget. Actual 2022-2023 TOT revenues and interest earnings of \$22.4 million in the TOT Fund ended slightly below the budgeted estimate by \$101,173. This performance, coupled with rebudgeted savings from 2022-2023, results in the net increase of \$525,986 to the Cultural Grants Reserve, and in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund. Additional adjustments to decrease the Transfer to the Convention and Cultural Affairs Fund and to decrease the San José Convention and Visitors Bureau appropriation are recommended in this report.</p>			
Ending Fund Balance Adjustment	City Manager - Office of Economic Development and Cultural Affairs	(\$450,106)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
		\$0	\$0
Transient Occupancy Tax Fund (461)			

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Workforce Development Fund (290)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Administration/Revenue from Federal Government This action increases the Administration appropriation and corresponding estimate for Revenue from the Federal Government by \$152,796 to reflect the final formula grant allocations for 2023-2024, which were released following the development of the 2023-2024 Adopted Operating Budget. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.	City Manager - Office of Economic Development and Cultural Affairs	\$152,796	\$152,796
Adult Workers/Revenue from Federal Government This action decreases the Adult Workers appropriation and corresponding estimate for Revenue from the Federal Government by \$937,097 to reflect the final formula grant allocations for 2023-2024, which were released following the development of the 2023-2024 Adopted Operating Budget. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.	City Manager - Office of Economic Development and Cultural Affairs	(\$937,097)	(\$937,097)
Dislocated Workers/Revenue from Federal Government This action decreases the Dislocated Workers appropriation and corresponding estimate for Revenue from the Federal Government by \$1,069,930 to reflect the final formula grant allocations for 2023-2024, which were released following the development of the 2023-2024 Adopted Operating Budget. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.	City Manager - Office of Economic Development and Cultural Affairs	(\$1,069,930)	(\$1,069,930)
Dislocated Workers - COVID-19/Revenue from Federal Government This action decreases the Dislocated Workers - COVID-19 appropriation and corresponding estimate for Revenue from the Federal Government by \$20,696 to reflect the end of this grant-supported program. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.	City Manager - Office of Economic Development and Cultural Affairs	(\$20,696)	(\$20,696)
Rapid Response Grant/Revenue from Federal Government This action decreases the Rapid Response Grant appropriation and corresponding estimate for Revenue from the Federal Government by \$230,633 to reflect the final formula grant allocations for 2023-2024, which were released following the development of the 2023-2024 Adopted Operating Budget. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.	City Manager - Office of Economic Development and Cultural Affairs	(\$230,633)	(\$230,633)

Special Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

Workforce Development Fund (290)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Sling Shot 2.0 Regional Plan Implementation/Revenue from Federal Government</p> <p>This action decreases the Sling Shot 2.0 Regional Plan Implementation appropriation and corresponding estimate for Revenue from the Federal Government by \$22,508 to reflect the end of this grant-supported program. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.</p>	City Manager - Office of Economic Development and Cultural Affairs	(\$22,508)	(\$22,508)
<p>Veterans' Employment - Related Assistance Program/Revenue from Federal Government</p> <p>This action decreases the Veterans' Employment - Related Assistance Program appropriation and corresponding estimate for Revenue from the Federal Government by \$42,772 to reflect the end of this grant-supported program. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.</p>	City Manager - Office of Economic Development and Cultural Affairs	(\$42,772)	(\$42,772)
<p>Workforce Accelerator Fund/Revenue from Federal Government</p> <p>This action decreases the Workforce Accelerator Fund appropriation and corresponding estimate for Revenue from the Federal Government by \$114,671 to reflect the end of this grant-supported program. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.</p>	City Manager - Office of Economic Development and Cultural Affairs	(\$114,671)	(\$114,671)
<p>Youth Workers/Revenue from Federal Government</p> <p>This action decreases the Youth Workers appropriation and corresponding estimate for Revenue from the Federal Government by \$1,269,211 to reflect the final formula grant allocations for 2023-2024, which were released following the development of the 2023-2024 Adopted Operating Budget. This action is part of a series of adjustments in this report to align Workforce Development Fund expenditures with final grant allocations and terms.</p>	City Manager - Office of Economic Development and Cultural Affairs	(\$1,269,211)	(\$1,269,211)
Workforce Development Fund (290)		(\$3,554,722)	(\$3,554,722)

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Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airport Capital Improvement Fund (520)			
Airfield Configuration Updates	Airport	\$(15,995,000)	
<p>This action decreases the Airfield Configuration Updates project by \$16.0 million, from \$32.6 million to \$16.6 million, to align the project budget with the actual grant award from the Federal Aviation Administration for this portion of the Taxiway V project. This decrease in funding does not change the scope of the entire project though it could take longer to complete. Airport will reapply for grant funding in a future cycle and will adjust the timing of the project's completion to match grant availability. This action is offset by a corresponding decrease to Revenue from the Federal Government as recommended in this report.</p>			
Revenue from Federal Government (TSA/FAA Grants) (Airfield Configuration Updates)	Airport		\$(15,995,000)
<p>This action decreases the estimate for Revenue from the Federal Government by \$16.0 million for the Airfield Configuration Updates project to align the budget with the actual grant award. This action is offset by a corresponding decrease to the Airfield Configuration Updates appropriation recommended in this report.</p>			
Revenue from Federal Government (TSA/FAA Grants) (Zero Emissions Buses)	Airport		\$(2,467,000)
<p>This action decreases the estimate for Revenue from the Federal Government by \$2.5 million for the Zero Emissions Buses project to align the budget with the actual grant award. This action is offset by a corresponding decrease to the Zero Emissions Buses appropriation recommended in this report.</p>			
Zero Emissions Buses	Airport	\$(2,467,000)	
<p>This action decreases the Zero Emissions Buses project by \$2.5 million, from \$5.8 million to \$3.3 million. This funding adjustment aligns the project budget with the anticipated grant award. The initial allocation assumed grant funding from the Federal Aviation Administration for six electric buses, however Airport now anticipates receiving grant funding for four electric buses. This action is offset by a corresponding decrease to Revenue from the Federal Government as recommended in this report.</p>			
Airport Capital Improvement Fund (520) TOTAL		\$(18,462,000)	\$(18,462,000)
Airport Renewal and Replacement Fund (527)			
Airfield Configuration Updates	Airport	\$5,260,000	
<p>This action increases the Airfield Configuration Updates project by \$5.3 million, from \$8.5 million to \$13.8 million, to provide funding for the addition of Phases 1B and 1C to the Taxiway V project and expenses for soil remediation on airport property that were determined to be ineligible for grant funding by the Federal Aviation Administration. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Finance	\$(5,360,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airport Renewal and Replacement Fund (527)			
Vehicle Replacement Program	Airport	\$100,000	
<p>This action increases the Vehicle Replacement Program allocation by \$100,000, from \$180,000 to \$280,000. This increased funding level is intended to purchase four trucks and one SUV. Given the supply chain issues and lack of available vehicles, additional funding of \$100,000 is necessary to ensure sufficient funding is available to cover the cost of previously budgeted vehicles. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Airport Renewal and Replacement Fund (527) TOTAL			
Building and Structure Construction Tax Fund (429)			
Autumn Parkway Reserve	Transportation	\$(1,700,000)	
<p>This action decreases the Autumn Parkway Reserve in the amount of \$1.7 million, from \$7.7 million to \$6.0 million. This action is offset by a corresponding increase to the Downtown San José Bikeways appropriation as described elsewhere in this report. The funds will be used to address cost increases associated with a scope change and higher than anticipated project costs. The Autumn Street Extension project is currently on hold until development in the Diridon Station Area moves forward. The intent is for the reserve to be replenished before the project recommences.</p>			
Autumn Street Extension	Transportation	\$81,000	
<p>This action increases the Autumn Street Extension appropriation by \$81,000. Rent and parking fees collected in 2022-2023 from properties purchased for the extension should be allocated back to the project. When this project resumes, funding will be used to extend and construct improvements on Autumn Street. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Downtown San José Bikeways	Transportation	\$1,700,000	
<p>This action establishes the Downtown San José Bikeways appropriation for \$1.7 million to fund the cost increases associated with a change in scope to add landscaping and irrigation, as well as to account for higher than anticipated project costs. Additional funding of \$4.0 million for this project is in the Construction Excise Tax Fund. This action is offset by a corresponding decrease to the Autumn Parkway Reserve appropriation as recommended in this report.</p>			
Ending Fund Balance Adjustment	Finance	\$(246,636)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Traffic Signal Improvement Program	Transportation	\$15,636	
<p>This action increases the Traffic Signal Improvement Program appropriation by \$15,636, from \$987,000 to \$1.0 million, to allocate to this project in-lieu fees collected during 2022-2023. These in-lieu fees must be used for traffic signal improvements. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Building and Structure Construction Tax Fund (429)			
Vision Zero: Julian Street & McKee Complete Streets	Transportation	\$150,000	
<p>This action increases the Vision Zero: Julian Street & McKee Complete Streets appropriation in the amount of \$150,000. The increase in funding will be used to address construction costs that are higher than estimated in the grant application. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Building and Structure Construction Tax Fund (429) TOTAL			
Construction Excise Tax Fund (465)			
Alameda Undercrossing Diamond Plate Lids	Transportation	\$32,230	
<p>This action establishes the Alameda Undercrossing Diamond Plate Lids appropriation in the amount of \$32,230. As directed in the Mayor's June Budget Message for Fiscal Year 2023-2024, as approved by the City Council, this project provides funding for the installation of decorative plate lids at the stairwells at the Alameda undercrossing. This project was inadvertently allocated in the Parks Council District 6 Construction and Conveyance Tax Fund (Parks and Community Facilities Development Capital Program), rather than the Construction Excise Tax Fund (Traffic Capital Program). Therefore, included in this report are actions in this fund to allocate funding for this project, with a decrease to the Ending Fund Balance, as well as eliminate funding for this project in the Parks Council District 6 Construction and Conveyance Tax Fund.</p>			
Bicycle and Pedestrian Facilities	Transportation	\$169,062	
<p>This action increases the Bicycle and Pedestrian Facilities appropriation by \$169,062. Funding will provide for the installation of various pedestrian and bicycle facilities, including crosswalks, bikeways, bike parking, bike share, and school safety improvements. This action is offset by a reallocation of \$137,000 from the Bicycle and Pedestrian Facilities Transportation Fund for Clean Air (TFCA) appropriation to replenish this project for expenditures that were funded by TFCA and a decrease to the Ending Fund Balance. The City has an agreement with Metropolitan Transportation Commission (MTC) to be reimbursed for the repair of damages to bicycle and pedestrian facilities the City maintains, with \$32,062 received in 2022-2023 and recommended to be allocated to this appropriation.</p>			
Bicycle and Pedestrian Facilities (TFCA)	Transportation	\$(137,000)	
<p>This action decreases the Bicycle and Pedestrian Facilities Transportation Fund for Clean Air (TFCA) appropriation by \$137,000 and reallocates the funds to the Bicycle and Pedestrian Facilities appropriation to replenish that project for expenditures that were funded by TFCA. A corresponding increase to the Bicycle and Pedestrian Facilities appropriation is recommended elsewhere in this report.</p>			
Ending Fund Balance Adjustment - Construction Excise Tax Fund	Finance	\$(81,292)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Construction Excise Tax Fund (465)			
Pavement Maintenance - SB1 Road Repair & Accountability Act 2017	Transportation	\$(496,399)	
<p>This action decreases the Pavement Maintenance – SB1 Road Repair & Accountability Act 2017 appropriation by \$496,399 to reflect lower revenue projections from the California Department of Finance. This action is offset by a corresponding decrease to the estimate for Revenue from State of California as recommended elsewhere in this report.</p>			
Pavement Maintenance - State Gas Tax	Transportation	\$(655,483)	
<p>This action decreases the Pavement Maintenance - State Gas Tax appropriation by \$655,483 to reflect lower revenue projections from the California State Department of Finance, as described elsewhere. This action is offset by a corresponding decrease to the estimate for Revenue from State of California as recommended in this report.</p>			
Pavement Maintenance - VTA 2016 Measure B	Transportation	\$(3,725,552)	
<p>This action decreases the Pavement Maintenance – VTA 2016 Measure B appropriation by \$3,725,552. The decrease is due to lower revenue projections for 2023-2024 of \$2,295,552 for the Measure B Local Streets and Roads Allocation and a reallocation of \$800,000 to the VTA Measure B 2016 Complete Street Project Improvements (SRTS) appropriation to begin implementation of the School Safety Traffic Program. Corresponding actions to establish the VTA Measure B 2016 Complete Street Project Improvements (SRTS) appropriation and to decrease the estimate for Revenue from Local Agencies for Pavement Maintenance - Measure B (VTA) revenue are recommended in this report to offset this action.</p>			
Quick Build East San José En Movimiento	Transportation	\$267,000	
<p>This action increases the Quick Build East San José En Movimiento appropriation by \$267,000. Funding is needed to address higher than anticipated construction costs that were included in the application for the Safe and Seamless Mobility Quick Strike One Bay Area Grant. This action is offset by a corresponding increase to the estimate for the Revenue from the Federal Government to recognize additional grant funding (\$147,000), as well as corresponding decreases to the Transportation Grants Reserve (\$103,000) and the Ending Fund Balance (\$17,000) as recommended elsewhere in this report.</p>			
Revenue from Local Agencies (Pavement Maintenance - Measure B (VTA))	Transportation		\$(2,925,552)
<p>This action decreases the estimate for Revenue from Local Agencies by \$2,925,552 based on the latest projections from the Santa Clara County Valley Transportation Authority (VTA). A corresponding decrease to the Pavement Maintenance – VTA 2016 Measure B appropriations is recommended elsewhere in this report.</p>			
Revenue from State of California (Pavement Maintenance - Road Repair & Accountability Act 2017)	Transportation		\$(496,399)
<p>This action decreases the estimate for Revenue from the State of California appropriation by \$496,399 to reflect the revenue projections for the Road Repair & Accountability Act 2017 allocation for San José. A corresponding decrease to the Pavement Maintenance – SB1 Road Repair & Accountability Act 2017 appropriation is recommended elsewhere in this report.</p>			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Construction Excise Tax Fund (465)			
Revenue from State of California (Pavement Maintenance - State Gas Tax)	Transportation		\$(655,483)
<p>This action decreases the estimate for Revenue from the State of California by \$655,483 to reflect the revenue projections for the State Gas Tax allocation for San José. A corresponding decrease to the Pavement Maintenance – State Gas Tax appropriation is recommended elsewhere in this report.</p>			
Revenue from the Federal Government (OBAG2 - Quick Strike)	Transportation		\$147,000
<p>This action increases the estimate for Revenue from the Federal Government to recognize additional funding from the One Bay Area Area Grant 2 (OBAG2) - Quick Strike grant that will be used to help offset higher than anticipated construction costs for the Quick Build East San José En Movimiento (Quick Strike) project. This action is offset by a corresponding increase to the Quick Build East San José En Movimiento appropriation as recommended in this report.</p>			
Revenue from the Federal Government (OTS - Vision Zero: Multimodal Traffic Safety Education)	Transportation		\$175,000
<p>This action increases the estimate for Revenue from the Federal Government by \$175,000 to recognize funding for a new State of California Office of Traffic Safety grant that was awarded in July 2023. The grant funding provided by the National Highway Traffic Safety Administration will be used to enhance the Pedestrian and Bicycle Safety Program. This action is offset by a corresponding increase to the Vision Zero: Multimodal Traffic Safety Education appropriation.</p>			
Safety Program Reserve	Transportation	\$(1,000,000)	
<p>This action decreases the Safety Program Reserve by \$1.0 million, from \$2.7 million to \$1.7 million. This action is offset by a corresponding increase to the Vision Zero: Data Analytics Tool appropriation as recommended elsewhere in this report.</p>			
Transportation Grants Reserve	Transportation	\$(103,000)	
<p>This action decreases the Transportation Grants Reserve by \$103,000, from \$125,000 to \$22,000. The funds will be used to offset construction costs that came in higher than estimated on the grant application for the Quick Build East San José En Movimiento project. This action is offset by a corresponding increase to the Quick Build East San José En Movimiento appropriation as recommended in this report.</p>			
Vision Zero: Data Analytics Tool	Transportation	\$1,000,000	
<p>This action increases the Vision Zero: Data Analytics Tool appropriation by \$1.0 million, from \$100,000 to \$1.1 million, to enhance and maintain a machine learning Vision Zero Data Analytic platform, which will integrate more than 50 City data pipelines, including land-use, traffic control, lighting, tree, bus stops, project improvement and traffic speed and volume. This will support artificial intelligence functionalities allowing complex, interdependent queries to be performed quickly, demonstrate the relationship between built environment and traffic fatalities, and support investment prioritization decision-making. This action is offset by a corresponding decrease to the Safety Program Reserve appropriation as recommended in this report.</p>			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Construction Excise Tax Fund (465)			
Vision Zero: Multimodal Traffic Safety Education	Transportation	\$175,000	
<p>This action increases the Vision Zero: Multimodal Traffic Safety Education appropriation by \$175,000, from \$67,000 to \$262,000, due to a State of California Office of Traffic Safety (OTS) grant that was awarded in July 2023. The OTS grant will be used to enhance the Pedestrian and Bicycle Safety Program and will provide for ten walk audits, safety messaging mailers and signs, bike and pedestrian safety equipment, and helmets. This action is offset by a corresponding increase to the estimate for Revenue from the Federal Government as recommended in this report.</p>			
VTA Measure B 2016 Complete Street Project Improvements (SRTS)	Transportation	\$800,000	
<p>This action establishes the VTA Measure B 2016 Complete Street Project Improvements Safe Route to Schools (SRTS) project in the amount of \$800,000. This is the first year of funding to implement the School Safety Traffic Program, of which a total of \$6.8 million of Measure B funding is planned to be allocated over the next five years. These funds will provide for the assessment and installation of traffic safety improvements around schools in San José, including speed humps and thermoplastic crosswalks. Measure B funds are eligible to be used for the School Traffic Safety Program as an element of Measure B Complete Streets requirements. This appropriation will separate the funding and tracking of the School Safety Traffic Program from the VTA 2016 Measure B funding used for pavement maintenance. A corresponding decrease to the Pavement Maintenance - VTA 2016 Measure B project is recommended elsewhere in this report.</p>			
Construction Excise Tax Fund (465) TOTAL			\$(3,755,434) \$(3,755,434)
Council District 6 Construction and Conveyance Tax Fund (384)			
Alameda Undercrossing Diamond Plate Lids	Parks, Recreation and Neighborhood Services	\$(32,230)	
<p>This action eliminates the Alameda Undercrossing Diamond Plate Lids project, which totals \$32,230. As directed in the Mayor's June Budget Message for Fiscal Year 2023-2024, as approved by the City Council, funding was allocated for the installation of decorative plate lids at the stairwells at the Alameda undercrossing. This project was inadvertently allocated in the Parks Council District 6 Construction and Conveyance Tax Fund (Parks and Community Facilities Development Capital Program), rather than the Construction Excise Tax Fund (Traffic Capital Program). Therefore, included in this report are actions in this fund to eliminate the funding for this project and increase Ending Fund Balance, as well as establish funding for this project in the Construction Excise Tax Fund.</p>			
Ending Fund Balance Adjustment	Finance	\$32,230	
<p>This action increases the Ending Fund Balance to offset an action recommended in this report.</p>			
Council District 6 Construction and Conveyance Tax Fund (384) TOTAL			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Council District 7 Construction and Conveyance Tax Fund (385)			
Alma Avenue and Sanborn Avenue Park Reserve	Parks, Recreation and Neighborhood Services	\$(25,000)	
This action decreases the Alma Avenue and Sanborn Avenue Park Reserve by \$25,000, from \$3.52 million to \$3.50 million. A corresponding action to reallocate this funding to the Alma Park Master Plan and Design project is recommended in this report.			
Alma Park Master Plan and Design	Parks, Recreation and Neighborhood Services	\$25,000	
This action increases the Alma Park Master Plan and Design project by \$25,000, from \$50,000 to \$75,000. This additional funding supports higher than anticipated project delivery costs for the design phase of the project. A corresponding action to decrease the Alma Avenue and Sanborn Avenue Park Reserve is recommended to offset this action.			
Council District 7 Construction and Conveyance Tax Fund (385) TOTAL			
Fire Construction and Conveyance Tax Fund (392)			
Fire Apparatus Replacement	Fire	\$1,033,000	
This action increases the Fire Apparatus Replacement appropriation by \$1,033,000, from \$3,900,00 to \$4,933,000, to realign funding from the Fire Station 37 FF&E appropriation to the Fire Apparatus Replacement appropriation. Due to the delivery timing of the fire engine designated to Fire Station 37, an engine from the apparatus replacement program was utilized to fully operationalize Fire Station 37 by the anticipated beneficial use date. A corresponding decrease to the Fire Station 37 FF&E appropriation to offset this action is recommended in this report.			
Fire Station 37 FF&E	Fire	\$(1,033,000)	
This action decreases the Fire Station 37 FF&E appropriation to offset the corresponding increase to the Fire Apparatus Replacement appropriation as recommended in this report.			
Fire Construction and Conveyance Tax Fund (392) TOTAL			
General Purpose Parking Capital Fund (559)			
Ending Fund Balance Adjustment	Finance	\$(800,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.			
Green Technologies and Innovation	Transportation	\$800,000	
This action increases the Green Technologies and Innovation appropriation by \$800,000, from \$200,000 to \$1.0 million, to fund an upgrade of the Convention Center Garage lighting to LED fixtures. The current fixtures are out of production and cannot be replaced when they break. Additionally, upgrading the fixtures at the convention center garage will standardize them with the other city garages. The project is scheduled to take place this fiscal year. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.			
General Purpose Parking Capital Fund (559) TOTAL			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Library Construction and Conveyance Tax Fund (393)			
Ending Fund Balance Adjustment	Finance	\$(4,186,000)	
This action decreases Ending Fund Balance to offset an action recommended in this report.			
Revenue from State of California (Building Forward Library Infrastructure Grant)	Library		\$(4,186,000)
This action decreases the estimate for Revenue from State of California by \$4.2 million, from \$5.6 million to \$1.4 million, to account for grant revenue received in 2022-2023. The Building Forward Library Infrastructure Grant, approved by City Council on October 25, 2022, provides \$8.7 million to implement a variety of infrastructure improvements and repairs at Library branches. The revenue estimate for this grant was \$314,000 in 2022-2023 and \$5.6 million in 2023-2024; however, \$4.5 million was received last fiscal year. This action is required to avoid the double-counting of expected revenues in 2023-2024. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this report.			
Library Construction and Conveyance Tax Fund (393) TOTAL		\$(4,186,000)	\$(4,186,000)
Measure T: Public Safety and Infrastructure Bond Fund (498)			
Ending Fund Balance Adjustment: Interest Earnings (Municipal Improvements)	Finance	\$(516,313)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			
Ending Fund Balance Adjustment: Interest Earnings (Parks and Community Facilities Development)	Finance	\$(68,956)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			
Ending Fund Balance Adjustment: Interest Earnings (Public Safety)	Finance	\$(1,046,048)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			
Ending Fund Balance Adjustment: Interest Earnings (Storm Sewer Systems)	Finance	\$(692,639)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			
Ending Fund Balance Adjustment: Interest Earnings (Traffic)	Finance	\$(2,160,156)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Measure T: Public Safety and Infrastructure Bond Fund (498)			
Measure T - Program Reserve (Public Safety)	Public Works	\$4,484,112	

This action increases the Measure T - Program Reserve (Public Safety) by \$4.5 million, from \$5.3 million to \$9.7 million. Unallocated interest earnings in 2022-2023 and in prior years in the various capital programs in the Public Safety and Infrastructure Bond Fund are recommended to be added to this reserve. Cost escalations continue to drive up the costs for the Public Safety projects making it difficult to deliver the projects within the funding allocation. Staff is trying to identify other solutions to mitigate the higher costs such as seeking grant funding, reducing the scope, or delaying the project. Bid results to construct the Police Training and Academy Facility, New Fire Station 32, 9-1-1 Call Center Renovation, and Police Air Support Unit Hangar are expected to be known in the upcoming months. This action will help ensure there is sufficient funding available to award the projects.

Measure T: Public Safety and Infrastructure Bond Fund (498) TOTAL

Parks City-Wide Construction and Conveyance Tax Fund (391)			
Ending Fund Balance Adjustment	Finance	\$(306,000)	

This action decreases the Ending Fund Balance to offset actions in this report.

Family Camp Infrastructure Renovations	Parks, Recreation and Neighborhood Services	\$28,000	
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This action increases the Family Camp Infrastructure Renovations project by \$28,000, from \$75,000 to \$103,000. This funding was collected in 2022-2023 from a surcharge on Family Camp reservations and will support ongoing repairs and minor capital maintenance needs at Family Camp at Yosemite. Beginning in 2012, a surcharge of \$20 per tent per night has been collected to provide funding for future improvements at Family Camp. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.

Family-Friendly City Facilities	Parks, Recreation and Neighborhood Services	\$203,000	
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This action re-establishes the Family-Friendly City Facilities project totaling \$203,000. This funding supports the continuation of a pilot program to install lactation pods and changing tables at various City-owned parks and recreation facilities and libraries. In 2022-2023, funding that was encumbered for this project was liquidated and incorporated into the Parks City-Wide Construction and Conveyance Tax Fund Ending Fund Balance. This action recommends reallocating the funding to the project budget. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.

Happy Hollow Park and Zoo Fire Panel Replacement	Parks, Recreation and Neighborhood Services	\$250,000	
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This action establishes the Happy Hollow Park and Zoo Fire Panel Replacement project totaling \$250,000. This funding supports the replacement of the fire alarm and fire panels at Happy Hollow Park and Zoo. The fire alarm and panels at Happy Hollow Park and Zoo, which are antiquated and do not meet the current health and safety standards, need to be replaced by fall 2023. A corresponding adjustment to decrease the Happy Hollow Park and Zoo Public Announcement System project is recommended to offset this action.

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Parks City-Wide Construction and Conveyance Tax Fund (391)			
Happy Hollow Park and Zoo Public Announcement System	Parks, Recreation and Neighborhood Services	\$(250,000)	
<p>This action decreases the Happy Hollow Park and Zoo Public Announcement System project by \$250,000, from \$371,000 to \$121,000. The Happy Hollow Park and Zoo Public Announcement System project is almost completed and has savings due to a project scope change to install the speakers on the existing buildings rather than installing new poles. A corresponding action to reallocate this funding to the Happy Hollow Park and Fire Panel Replacement project is recommended in this report.</p>			
Strategic Capital Replacement and Maintenance Needs	Parks, Recreation and Neighborhood Services	\$75,000	
<p>This action increases the Strategic Capital Replacement and Maintenance Needs appropriation by \$75,000, from \$150,000 to \$225,000. This additional funding will support City-wide park backflow maintenance needs that were inadvertently not allocated in the budget. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.</p>			
Parks City-Wide Construction and Conveyance Tax Fund (391) TOTAL		<hr/>	
Sewer Service and Use Charge Capital Improvement Fund (545)			
Ending Fund Balance Adjustment	Finance	\$(5,000,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
Infrastructure - Sanitary Sewer Condition Assessment	Public Works	\$5,000,000	
<p>This action increases the Infrastructure - Sanitary Sewer Condition Assessment project appropriation by \$5.0 million, from \$2.2 million to \$7.2 million, to provide funding for three additional condition assessment projects. These three projects were not included in the development of the 2023-2024 Adopted Capital Budget because of expectations of delays, but as those delays have been averted, the projects are expected to proceed this year. The projects are 1) cleaning and assessing the condition of 276,000 linear feet of 6 to 12-inch diameter pipes and 2,004 linear feet of 24-inch diameter pipes city-wide; 2) cleaning and assessing the condition of 8,700 linear feet of 33 to 42-inch diameter pipe along Pearl Avenue in Council District 9; and 3) cleaning and assessing the condition of 353,000 of 4 to 10-inch diameter pipe east of Bascom Avenue, south of Julian Street, west of 17th Street, and north of Curtner Avenue, spanning Council Districts 3, 6, and 7. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Sewer Service and Use Charge Capital Improvement Fund (545) TOTAL		<hr/>	
Subdivision Park Trust Fund (375)			
Future PDO / PIO Projects Reserve	Parks, Recreation and Neighborhood Services	\$(900,000)	
<p>This action decreases the Future PDO/PIO Reserve to offset actions recommended in this report.</p>			

Capital Funds Recommended Budget Adjustments Summary 2022-2023 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Subdivision Park Trust Fund (375)			
River Glen Park Restroom Restoration	Parks, Recreation and Neighborhood Services	\$50,000	
<p>This action increases the River Glen Park Restroom Restoration project by \$50,000, from \$125,000 to \$175,000. During the construction of this project, it was determined that the existing sewer line that runs from the restroom to the street is lower than anticipated. Therefore, additional funding is needed to support the cost of a lift station which will allow the sewer line to safely transport sewage and wastewater for the restroom at River Glen Park. A corresponding action to decrease the Future PDO/PIO Project Reserve appropriation is recommended to offset this action.</p>			
TRAIL: Coyote Creek Design (Roosevelt Park to Watson Park)	Parks, Recreation and Neighborhood Services	\$850,000	
<p>This action establishes the TRAIL: Coyote Creek Design (Roosevelt Park to Watson Park) totaling \$850,000. This funding will support the design of a Class 1 multi-use paved bikeway trail with striping near San José High School. Valley Transportation Authority (Measure B funds) will reimburse 90% (\$765,000) of the funding for this project on a reimbursement basis. Actions recommended in this report allocate the full project funding; when the reimbursement funding is received, the Subdivision Park Trust Fund will be reimbursed accordingly. A corresponding action to decrease the Future PDO/PIO Project Reserve is recommended to offset this action.</p>			
Subdivision Park Trust Fund (375) TOTAL		<hr/>	
Underground Utility Fund (416)			
Ending Fund Balance Adjustment	Finance	\$(26,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
PG&E/Private Electrical Service Panel Conversion Reimbursement	Public Works	\$26,000	
<p>This action establishes the PG&E/Private Electrical Service Panel Conversion Reimbursement appropriation in the amount of \$26,000. Within the Delmas/Park 20B project, there are 17 property owners still working on various electrical service panel conversion. Property owners are required to complete the panel conversion and submit for reimbursement once the work is properly completed. These funds will allow for the City to payout those reimbursements.</p>			
Underground Utility Fund (416) TOTAL		<hr/>	

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**General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST		
	Personal Services	Non-Personal/Equipment	Total Use	Revenue				
DEPARTMENTAL EXPENSES								
Office of the City Attorney								
Required Technical-Rebalancing Actions		Non-Personal/Equipment (Outside Counsel)	-	100,000	100,000	-	-	100,000
Office of the City Manager		Rebudget: Personal Services/Revenue from Federal Government (Urban Area Security Initiative Grant 2022)	19,974	-	19,974	136,733	-	(116,759)
Rebudgets		Rebudget: Non-Personal/Equipment (Office of Administration, Policy, and Intergovernmental Relations - Office Renovation and PRA Software)	-	300,000	300,000	-	-	300,000
City Manager - Office of Economic Development and Cultural Affairs								
Required Technical-Rebalancing Actions		Non-Personal/Equipment (Post Street Traffic Closure Pilot Program)	-	50,000	50,000	-	-	50,000
City Manager - Office of Economic Development and Cultural Affairs								
Grants-Reimbursements-Fees		Non-Personal/Equipment/Revenue from Federal Government (Economic Development Administration)	-	287,611	287,611	287,611	-	-
Environmental Services Department		Rebudget: Non-Personal/Equipment (Climate Smart Plan Update and Carbon Neutrality Program Expansion)	-	51,000	51,000	-	-	51,000
Rebudgets								
Fire Department								
Required Technical-Rebalancing Actions		Non-Personal/Equipment (Ambulance Transport)	-	75,000	75,000	-	-	75,000
Fire Department								
Rebudgets		Rebudget: Non-Personal/Equipment (Fire Station Alerting System)	-	74,000	74,000	-	-	74,000
Independent Police Auditor's Office								
Required Technical-Rebalancing Actions		Non-Personal/Equipment (Recruitment)	-	50,000	50,000	-	-	50,000

**General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal		USE		SOURCE		NET COST	
		Personal Services	Non-Personal/ Equipment	Total Use	Revenue		Beg Fund Balance
DEPARTMENTAL EXPENSES							
Information Technology Department	Rebudget: Non-Personal/Equipment (Emergency Operation Center and Communication Room FF&E)	-	48,000	48,000	-	-	48,000
Mayor & City Council							
Rebudgets	Rebudget: Office of the Mayor	270,645	-	270,645	-	-	270,645
	Rebudget: Council District #03	(19,482)	-	(19,482)	-	-	(19,482)
	Rebudget: Council District #04	1,334	-	1,334	-	-	1,334
	Rebudget: Council District #05	40,755	-	40,755	-	-	40,755
	Rebudget: Council District #09	14,634	-	14,634	-	-	14,634
	Rebudget: Council District #10	38,372	-	38,372	-	-	38,372
	Rebudget: Council District #07	(9,837)	-	(9,837)	-	-	(9,837)
	Rebudget: Council District #02	2,837	-	2,837	-	-	2,837
	Rebudget: Council District #01	17,535	-	17,535	-	-	17,535
	Rebudget: Council District #06	2,909	-	2,909	-	-	2,909
	Rebudget: Council District #08	24,941	-	24,941	-	-	24,941
	Rebudget: Council General	4,048	-	4,048	-	-	4,048
Parks, Recreation and Neighborhood Services Department							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Vehicle Cost Escalation)	-	200,000	200,000	-	-	200,000
Parks, Recreation and Neighborhood Services Department							
Grants-Reimbursements-Fees	Non-Personal/Equipment/Other Revenue (Tree Replacement)	-	15,000	15,000	15,000	-	-
	Non-Personal/Equipment/Revenue from Local Agencies (Santa Clara County Public Health Department SJ Recreation Preschool Grant)	-	5,000	5,000	5,000	-	-
Parks, Recreation and Neighborhood Services Department							
Rebudgets	Rebudget: Non-Personal/Equipment (Family Camp BBQ)	-	25,514	25,514	-	-	25,514
	Rebudget: Non-Personal/Equipment (Veggielution)	-	33,394	33,394	-	-	33,394
	Rebudget: Non-Personal/Equipment (Vehicle Replacement & Encampment Abatement)	-	300,000	300,000	-	-	300,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		NET COST		
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance		
DEPARTMENTAL EXPENSES							
Planning, Building and Code Enforcement Department							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Pleasant Hills Golf Course)	-	250,000	250,000	-	-	250,000
Police Department							
Required Technical-Rebalancing Actions	Personal Services (Child Forensic Interviewer)	112,719	-	112,719	-	-	112,719
	Non-Personal/Equipment (Police Department Badging System Upgrade)	-	150,000	150,000	-	-	150,000
Police Department							
Grants-Reimbursements-Fees	Non-Personal/Equipment/Other Revenue (Gaming Background Services)	-	60,000	60,000	60,000	-	-
Police Department							
Rebudgets	Rebudget: Personal Services/Revenue from Local Agencies (Stream Stewardship Law Enforcement)	20,000	-	20,000	20,000	-	-
	Rebudget: Non-Personal/Equipment - Police Vehicle Replacements and Operations & Maintenance	-	187,300	187,300	-	-	187,300
	Rebudget: Personal Services (Rebudget from Coyote Creek and Guadalupe River Trail Patrol)	325,000	-	325,000	-	-	325,000
Public Works Department							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (City-Owned Property Management and Maintenance)	-	375,000	375,000	-	-	375,000
	Non-Personal/Equipment (Civic Center Contractual Security Services)	-	75,000	75,000	-	-	75,000
Transportation Department							
Rebudgets	Rebudget: Non-Personal/Equipment (BeautifySJ)	-	40,000	40,000	-	-	40,000
	Rebudget: Personal Services (Red Light Running Cameras Pilot Program & Racial Equity Staffing)	(360,000)	-	(360,000)	-	-	(360,000)
DEPARTMENTAL EXPENSES TOTAL							
		506,384	2,751,819	3,258,203	524,344	-	2,733,859

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Required Technical-Rebalancing Actions	Senior Nutrition Program/Revenue from Local Agencies	-	2,006,249	2,006,249	2,019,795	-	(13,546)
	BeautifySJ Grants	-	99,924	99,924	-	-	99,924
	Measure E - Interim Housing Maintenance (15% HSP)	-	500,000	500,000	-	-	500,000
	Sports Authority (2023 U.S. Gymnastics Championships)	-	100,000	100,000	-	-	100,000
	BeautifySJ and Encampment Waste Pick Up - BeautifySJ Consolidated Model	-	120,000	120,000	-	-	120,000
	Emergency Interim Housing Construction and Operation	-	15,000,000	15,000,000	-	-	15,000,000
	Storefront Activation Grant Program	-	(50,000)	(50,000)	-	-	(50,000)
	Clean Creeks, Healthy Watersheds/Revenue from Federal Government	-	384,000	384,000	384,000	-	-
Grants-Reimbursements-Fees	California Joint Apprenticeship Committee Program/Other Revenue	-	14,650	14,650	14,650	-	-
	Santa Clara County Teen Programming Grant/Revenue from Local Agencies	-	100,000	100,000	100,000	-	-
	Summer Youth Nutrition Program/Revenue from Federal Government	-	82,165	82,165	82,165	-	-
	After School Education and Safety Programs for 2023-2024/Revenue from Local Agencies	-	129,000	129,000	129,000	-	-
	Library Grants/Revenue from State of California (Outdoor Exploration)	-	2,173	2,173	2,173	-	-

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		NET COST			
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance			
CITY-WIDE EXPENSES								
Grants-Reimbursements-Fees		Library Grants/Revenue from State of California (Lunch at the Library Grant)	-	12,463	12,463	12,463	-	-
		SJPL Foundation Grants/Other Revenue (Coding 5K Challenge)	-	147,000	147,000	147,000	-	-
		Library Grants/Revenue from State of California (California Library Literacy and English Acquisition Services ESL Grant)	-	116,108	116,108	116,108	-	-
		Library Grants/Revenue from State of California (Library Services and Technology Act: Holistic Initiative Grant)	-	60,363	60,363	60,363	-	-
		Internet Crimes Against Children State Grant 2022-2023/Revenue from State of California	-	113,852	113,852	113,852	-	-
		Selective Traffic Enforcement Program 2023-2024/Revenue from Federal Government	-	280,000	280,000	280,000	-	-
		Adaptation Planning Grant/Revenue from State of California	-	514,970	514,970	514,970	-	-
		State Homeland Security Grant Program 2023-2026/Revenue from Federal Government	-	60,000	60,000	60,000	-	-
		2022 Emergency Management Performance Grant/Revenue from Federal Government	-	127,740	127,740	127,740	-	-
		Santa Clara County Homeless Encampment Cleanup/Revenue from Local Agencies	-	170,000	170,000	170,000	-	-
		Mattress Recycling Grant/Revenue from Local Agencies	-	75,000	75,000	75,000	-	-
		Santa Clara County Public Art Services/Revenue from Local Agencies	-	200,000	200,000	200,000	-	-

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Clean-Up Actions	Tech Adjust: Certified Access Specialist Program (Reconciliation)	-	954,414	954,414	-	-	954,414
	Fund Balance Reconciliation	-	-	-	-	-	-
	Tech Adjust: Destination: Home SV Grant (Reconciliation)	-	1,180	1,180	-	-	1,180
	Tech Adjust: Digital Inclusion Program (Reconciliation)	-	285,467	285,467	-	-	285,467
	Tech Adjust: SJPL Foundation Grants (Reconciliation)	-	79,882	79,882	-	-	79,882
	Tech Adjust: Outcomes Equity Indicators + Performance Management (Retitle from City Initiatives Roadmap: Outcomes Equity Indicators + Performance Management)	-	-	-	-	-	-
	Tech Adjust: Tree Mitigation (Reconciliation)	-	284,425	284,425	-	-	284,425
	Tech Adjust: Electric Vehicle Charging Stations (Reconciliation)	-	8,501	8,501	-	-	8,501
	Tech Adjust: Government Access - Capital Expenditures (Reconciliation)	-	(26,684)	(26,684)	-	-	(26,684)
	Tech Adjust: Public, Educational, and Government (PEG) Access Facilities - Capital (Reconciliation)	-	(80,052)	(80,052)	-	-	(80,052)
Rebudgets	Rebudget: City Council Participatory Budgeting - Council District #01	-	10,000	10,000	-	-	10,000
	Rebudget: San José Al Fresco - San Pedro and Post Streets Closure	-	259,000	259,000	-	-	259,000
	Rebudget: Destination: Home SV Grant	-	(13,077)	(13,077)	-	-	(13,077)

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue		
CITY-WIDE EXPENSES						
Rebudgets						
	Rebudget: State Homeland Security Grant Program - Police 2021/Revenue from Federal Government	-	(1,458)	(1,458)	(1,458)	-
	Rebudget: Contractual Street Tree Planting	-	(126)	(126)	-	(126)
	Rebudget: City Council Participatory Budgeting - Council District #03	-	28,000	28,000	-	28,000
	Rebudget: Paseo de San Antonio Update	-	75,000	75,000	-	75,000
	Rebudget: Digital Divide	-	47,184	47,184	-	47,184
	Rebudget: Regional Early Action Planning - Housing and Community Development Grant	-	4,689	4,689	-	4,689
	Rebudget: Tree Mitigation	-	336,417	336,417	-	336,417
	Rebudget: Arena Community Fund	-	35,000	35,000	-	35,000
	Rebudget: Food and Necessities	-	500,000	500,000	-	500,000
	Rebudget: Digital Inclusion	-	(48,025)	(48,025)	-	(48,025)
	Rebudget: Mobile Home Park Protections	-	45,560	45,560	-	45,560
	Rebudget: Small Business, Non-Profits, and Arts - Council District Outdoor Activation	-	18,500	18,500	-	18,500
	Rebudget: Diridon Station Area Development Planning - Electric Microgrid	-	44,918	44,918	-	44,918
	Rebudget: Downtown Pedestrian Quality of Life	-	18,000	18,000	-	18,000
	Rebudget: Child and Youth Services - Family, Friend, and Neighborhood Program	-	(2,434)	(2,434)	-	(2,434)
	Rebudget: Security Camera Rebate Program	-	75,000	75,000	-	75,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Rebudgets	Rebudget: General Liability Claims	-	200,000	200,000	-	-	200,000
	Rebudget: Council District Outdoor Activation	-	12,000	12,000	-	-	12,000
	Rebudget: CalOES Mobile Operations Satellite Expeditionary System	-	216,250	216,250	-	-	216,250
	Rebudget: CaliforniansForAll Youth Workforce Program - Learning Loss Mitigation Pathway/Revenue from State of California	-	4,678	4,678	3,624,795	-	(3,620,117)
	Rebudget: Capture Crime Program	-	21,149	21,149	-	-	21,149
	Rebudget: Digital Equity - Device Access	-	(1,280,000)	(1,280,000)	-	-	(1,280,000)
	Rebudget: Climate and Seismic Resilience Planning	-	171,000	171,000	-	-	171,000
	Rebudget: Learning and Development Roadmap	-	46,000	46,000	-	-	46,000
	Rebudget: Digital Equity - Digital Equity Communications, Outreach + Education	-	(22,916)	(22,916)	-	-	(22,916)
	Rebudget: Local Early Action Planning - Housing and Community Development Grant	-	63,120	63,120	-	-	63,120
	Rebudget: Winchester Business Association	-	50,000	50,000	-	-	50,000
	Rebudget: Bureau of Emergency Medical Services and Training Center Relocation	-	64,000	64,000	-	-	64,000
	Rebudget: Child and Youth Services - Library	-	13,430	13,430	-	-	13,430

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Rebudgets	Rebudget: Blight Busters	-	33,000	33,000	-	-	33,000
	Rebudget: Selective Traffic Enforcement Program 2022-2023/Revenue from Federal Government	-	(28,445)	(28,445)	(27,870)	-	(575)
	Rebudget: Hazard Mitigation Grant Program/Revenue from Federal Government	-	91,114	91,114	58,724	-	32,390
	Rebudget: Cannabis Equity Assistance Program	-	6,000	6,000	-	-	6,000
	Rebudget: Expedited Purified Water Program	-	(636)	(636)	-	-	(636)
	Rebudget: BeautifySJ and Encampment Waste Pick Up - San Jose Bridge Program	-	114,000	114,000	-	-	114,000
	Rebudget: Digital Inclusion Program	-	1,767,707	1,767,707	-	-	1,767,707
	Rebudget: Diridon Station Area Development Planning	-	64,000	64,000	-	-	64,000
	Rebudget: Low-Income Household Water Assistance Payment Program	-	(3,854)	(3,854)	-	-	(3,854)
	Rebudget: Digital Equity - Community WiFi	-	(15,879)	(15,879)	-	-	(15,879)
	Rebudget: Customer Satisfaction Survey (Bi-Annual)	-	40,000	40,000	-	-	40,000
	Rebudget: Pocket Park in the Tropicana-Lanai Neighborhood	-	19,000	19,000	-	-	19,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue		
CITY-WIDE EXPENSES						
Rebudgets						
	Rebudget: Housing Stabilization - Hotel Sheltering Operations + Services	- 81,000	81,000	-	-	81,000
	Rebudget: San José 311 Enhancements	- 89,000	89,000	-	-	89,000
	Rebudget: Berryessa Flea Market Vendor Business Transition Fund	- (95,000)	(95,000)	-	-	(95,000)
	Rebudget: Data Capacity Expansion Project	- (4,000)	(4,000)	-	-	(4,000)
	Rebudget: Public Safety Power Shutoff Resiliency	- 6,083	6,083	-	-	6,083
	Rebudget: Small Business Recovery - Underwrite Creation of New Property Business Improvement Districts	- (403,000)	(403,000)	-	-	(403,000)
	Rebudget: Hazardous Materials Consent Judgement	- 24,374	24,374	-	-	24,374
	Rebudget: Police Reforms Workplan	- (7,000)	(7,000)	-	-	(7,000)
	Rebudget: Small Business Recovery - Supplemental Business Development Communications	- 8,000	8,000	-	-	8,000
	Rebudget: San José BEST and Safe Summer Initiative Programs	- 132,220	132,220	-	-	132,220
	Rebudget: Customer Service Vision and Standards	- (73,000)	(73,000)	-	-	(73,000)
	Rebudget: Small Business Recovery - San José Al Fresco	- 103,000	103,000	-	-	103,000
	Rebudget: Workers' Compensation Claims - Fire (Rebudget savings from Workers' Compensation - Fire and Workers' Compensation - Police)	- 500,000	500,000	-	-	500,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Rebudgets							
	Rebudget: Homeless Rapid Rehousing	-	40,000	40,000	-	-	40,000
	Rebudget: Accessory Dwelling Unit Amnesty Program	-	293,000	293,000	-	-	293,000
	Rebudget: Law Enforcement Mental Health and Wellness Act (LEMHWA) Project - 2022/Revenue from Federal Government	-	6,000	6,000	6,000	-	-
	Rebudget: Build Back Better and COVID-19 Recovery - Community Engagement	-	(69,000)	(69,000)	-	-	(69,000)
	Rebudget: Small Business Recovery - Small Business + Manufacturing Recovery Initiative	-	(21,000)	(21,000)	-	-	(21,000)
	Rebudget: Byrne Discretionary Community Project Grant 2022-2023/Revenue from Federal Government	-	11,370	11,370	11,370	-	-
	Rebudget: Build Back Better and COVID-19 Recovery - COVID-19 Recovery Taskforce	-	(227,000)	(227,000)	-	-	(227,000)
	Rebudget: Emergency Interim Housing Construction and Operation	-	347,000	347,000	-	-	347,000
	Rebudget: BeautifySJ Grants	-	288,283	288,283	-	-	288,283
	Rebudget: Child and Youth Services - Child and Youth Services Master Plan	-	(299,000)	(299,000)	-	-	(299,000)
	Rebudget: Small Business Recovery - Storefront Activation Grants	-	160,000	160,000	-	-	160,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		NET COST		
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance		
CITY-WIDE EXPENSES							
Rebudgets	Rebudget: Internet Crimes Against Children Task Force Invited Awards - Police 2020/Revenue from Federal Government	-	65,100	65,100	65,100	-	-
	Rebudget: 4th of July Celebration	-	250,000	250,000	-	-	250,000
	Rebudget: Small Business, Non-Profits, and Arts - San José Abierto	-	120,121	120,121	-	-	120,121
	Rebudget: 2021 Collaborative Approaches Toward Preventing and Addressing Hate Grant/Revenue from Federal Government	-	22,242	22,242	27,621	-	(5,379)
	Rebudget: Weavers' Gift Ohlone Sculpture Restoration	-	4,000	4,000	-	-	4,000
	Rebudget: Youth Reinvestment Grant	-	54,697	54,697	-	-	54,697
	Rebudget: BeautifySJ and Encampment Waste Pick Up - BeautifySJ Consolidated Model	-	(2,371,364)	(2,371,364)	-	-	(2,371,364)
	Rebudget: Urban Areas Security Initiative Grant - Police 2022/Revenue from Federal Government	-	112,811	112,811	203,156	-	(90,345)
	Rebudget: CaliforniansForAll Youth Workforce Program - Administration/Revenue from State of California	-	33,909	33,909	101,297	-	(67,388)
	Rebudget: Coyote Creek Project Reaches 5-7 (Valley Water)	-	64,347	64,347	-	-	64,347
	Rebudget: CreaTV Hybrid Event Space	-	(5,000)	(5,000)	-	-	(5,000)

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Rebudgets	Rebudget: ESUHSD Community WiFi - Mt Pleasant	-	9,363	9,363	-	-	9,363
	Rebudget: 4th Street Garage Banquet Facility Maintenance and Operations	-	54,372	54,372	-	-	54,372
	Rebudget: Emergency Housing - Emergency Housing Construction and Operation	-	(7,020,996)	(7,020,996)	-	-	(7,020,996)
	Rebudget: Department of Alcohol Beverage Control Grant/Revenue from State of California	-	(6,576)	(6,576)	(6,576)	-	-
	Rebudget: Housing Stabilization - Eviction Help Center	-	(44,620)	(44,620)	-	-	(44,620)
	Rebudget: Internet Crimes Against Children State Grant 2022-2023/Revenue from State of California	-	(82,475)	(82,475)	(82,475)	-	-
	Rebudget: Electric Vehicle Charging Stations	-	(3,722)	(3,722)	-	-	(3,722)
	Rebudget: Google Community Benefits - Community Stabilization	-	1,749,187	1,749,187	-	-	1,749,187
	Rebudget: Northern California Regional Intelligence Center - Police 2022/Revenue from Federal Government	-	(14,489)	(14,489)	(14,489)	-	-
	Rebudget: Measure E - Project HomeKey 2.0 (40% ELI)	-	725,474	725,474	-	-	725,474
	Rebudget: State Homeland Security Grant Program - Police 2022/Revenue from Federal Government	-	(233)	(233)	(233)	-	-
	Rebudget: ESUHSD Community WiFi - Silver Creek	-	(44,000)	(44,000)	-	-	(44,000)

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Rebudgets	Rebudget: Office of Equality Assurance Labor Compliance System	-	530,000	530,000	-	-	530,000
	Rebudget: Measure E - Guadalupe River Park Housing Support (10% HPRA)	-	(300,000)	(300,000)	-	-	(300,000)
	Rebudget: City Hall Facilities Security Improvements	-	163,000	163,000	-	-	163,000
	Rebudget: City Hall Audio System Enhancements	-	37,000	37,000	-	-	37,000
	Rebudget: Measure E - Rental Assistance (10% HPRA)	-	(400,000)	(400,000)	-	-	(400,000)
	Rebudget: Government Access - Capital Expenditures	-	1,874,820	1,874,820	-	-	1,874,820
	Rebudget: Small Business Recovery - Supplemental Economic Development Association Capacity Building	-	(993,000)	(993,000)	-	-	(993,000)
	Rebudget: Public, Educational, and Government (PEG) Access Facilities - Capital	-	79,552	79,552	-	-	79,552
	Rebudget: VTA Eastridge to BART Regional Connector Public Art	-	(672)	(672)	-	-	(672)
	Rebudget: Adobe Sponsored Artist Support/Other Revenue	-	(815)	(815)	7,500	-	(8,315)
	Rebudget: District 10 Murals	-	(1,000)	(1,000)	-	-	(1,000)
	Rebudget: Park and Open Street Activation - Council District #02	-	2,000	2,000	-	-	2,000
	Rebudget: Donor Wall	-	135,000	135,000	-	-	135,000
	Rebudget: Behavior Change Campaign and Beautification	-	35,000	35,000	-	-	35,000
	Rebudget: Child and Youth Services - PRNS (Programs, Experiences, and Scholarships)	-	362,000	362,000	-	-	362,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CITY-WIDE EXPENSES							
Rebudgets	Rebudget: Santa Clara County Homeless Encampment Cleanup	-	2,945	2,945	-	-	2,945
	Rebudget: Outdoor Equity Grant	-	107,555	107,555	-	-	107,555
	Rebudget: Google Community Benefits - Economic Development	-	81,864	81,864	-	-	81,864
	Rebudget: Hammer Theater Capital Maintenance	-	60,000	60,000	-	-	60,000
	Rebudget: Japantown Creative Center for the Arts Transportation Improvements	-	150,000	150,000	-	-	150,000
	Rebudget: Keyla Salazar Mural	-	25,000	25,000	-	-	25,000
	Rebudget: Museum Place Project	-	3,000	3,000	-	-	3,000
	Rebudget: San José Creates and Connects	-	11,000	11,000	-	-	11,000
	Rebudget: San José Regional Transportation Hub Project	-	296,775	296,775	-	-	296,775
	Rebudget: Silicon Valley Recovery Roundtable	-	25,000	25,000	-	-	25,000
	Rebudget: Storefront Activation Program - Alum Rock	-	75,000	75,000	-	-	75,000
	Rebudget: Thang Do Memorial	-	25,000	25,000	-	-	25,000
	Rebudget: work2future San José Job Center Relocation	-	26,598	26,598	-	-	26,598
	Rebudget: Art and Mural Beautification	-	(1,000)	(1,000)	-	-	(1,000)
	Rebudget: Creating Connections	-	11,845	11,845	-	-	11,845
	Rebudget: Cultural Affairs Special Project/Other Revenue	-	11,354	11,354	10,261	-	1,093
	Rebudget: Billy DeFrank Center Mural	-	3,000	3,000	-	-	3,000
	Rebudget: Business Improvement District Creation	-	53,000	53,000	-	-	53,000
	CITY-WIDE EXPENSES TOTAL	-	22,003,955	22,003,955	8,592,002	-	13,411,953

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CAPITAL PROJECT EXPENSES							
Required Technical-Rebalancing Actions	Fire Training Center Relocation	-	125,000	125,000	-	-	125,000
	Police Athletic League Stadium Turf Replacement	-	400,000	400,000	-	-	400,000
	Police Athletic League Stadium Master Plan	-	(400,000)	(400,000)	-	-	(400,000)
	Ice Centre Expansion Oversight Project	-	100,000	100,000	-	-	100,000
	San José Museum of Art Cooling Tower Replacement	-	150,000	150,000	-	-	150,000
	Unanticipated/Emergency Maintenance (Civic Center Elevator Repairs and Assessment)	-	400,000	400,000	-	-	400,000
	Tech Adjust: City-wide Building Assessment (Prior Year Encumbrance Liquidation)	-	260,000	260,000	-	-	260,000
	Tech Adjust: Unanticipated/Emergency Maintenance (Prior Year Encumbrance Liquidation)	-	54,000	54,000	-	-	54,000
	Tech Adjust: Ice Centre Expansion Oversight Project (Retitle from Ice Centre Expansion Project)	-	-	-	-	-	-
	Rebudgets	Rebudget: City Hall Office Renovation	-	17,000	17,000	-	-
	Rebudget: City Hall Security Upgrades	-	8,000	8,000	-	-	8,000
	Rebudget: City Hall Waterproofing	-	18,000	18,000	-	-	18,000
	Rebudget: Local Sales Tax - PAB/PAC Phase I Elevator Modernization	-	222,000	222,000	-	-	222,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CAPITAL PROJECT EXPENSES							
Rebudgets							
	Rebudget: Fire Apparatus Replacement	-	549,000	549,000	-	-	549,000
	Rebudget: Police Communications Emergency Uninterrupted Power Supply	-	118,000	118,000	-	-	118,000
	Rebudget: Emergency Operations Center Relocation Capital Contributions	-	105,000	105,000	-	-	105,000
	Rebudget: Unanticipated/Emergency Maintenance	-	150,000	150,000	-	-	150,000
	Rebudget: Fire Training Center Relocation	-	11,000	11,000	-	-	11,000
	Rebudget: Recovery Foundation & Drive to Digital - Audio Visual Upgrades to Chambers and Committee Rooms	-	24,000	24,000	-	-	24,000
	Rebudget: History San José ADA Compliance	-	8,000	8,000	-	-	8,000
	Rebudget: History San José Miscellaneous Repairs	-	20,000	20,000	-	-	20,000
	Rebudget: San José Museum of Art Door and Window Improvement	-	6,000	6,000	-	-	6,000
	Rebudget: The Tech Interactive Skylight Replacement	-	6,000	6,000	-	-	6,000
	Rebudget: The Tech Interactive Controls Module Improvements	-	118,000	118,000	-	-	118,000
	Rebudget: Fire Training Center Environmental Monitoring	-	13,000	13,000	-	-	13,000
	Rebudget: Cultural Facilities Condition Assessment	-	27,000	27,000	-	-	27,000
	Rebudget: Downtown Neighborhoods Traffic Calming	-	(24,000)	(24,000)	-	-	(24,000)

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue		
CAPITAL PROJECT EXPENSES						
Rebudgets						
	Rebudget: Canoas Garden Avenue Crosswalk	-	(8,000)	(8,000)	-	(8,000)
	Rebudget: 280 Almaden Ave Beautification Improvement Project/Revenue from State of California	-	(4,000)	(4,000)	350,000	(354,000)
	Rebudget: Council District 3 Traffic Calming Enhancements	-	31,000	31,000	-	31,000
	Rebudget: Animal Care and Services - Various Improvements	-	(73,000)	(73,000)	-	(73,000)
	Rebudget: Kooser Road Crosswalk	-	14,000	14,000	-	14,000
	Rebudget: City Hall Audio/Visual Upgrade	-	(7,000)	(7,000)	-	(7,000)
	Rebudget: Sideshow Mitigation in District 10	-	17,000	17,000	-	17,000
	Rebudget: City Hall HVAC Control System Replacement	-	(10,000)	(10,000)	-	(10,000)
	Rebudget: Pavement Maintenance Program	-	56,000	56,000	-	56,000
	Rebudget: City Hall Network Operations Center - Electrical Switch Replacement	-	(235,000)	(235,000)	-	(235,000)
	Rebudget: Monterey Road Transit Study	-	2,000	2,000	-	2,000
	Rebudget: City Hall Rehabilitation Projects	-	(40,000)	(40,000)	-	(40,000)
	Rebudget: Hammer Theatre Miscellaneous HVAC & Electrical Upgrades	-	(14,000)	(14,000)	-	(14,000)
	Rebudget: The Tech Interactive Fire Alarm System	-	(4,000)	(4,000)	-	(4,000)
	Rebudget: Emergency Power Generation for City Facilities	-	(3,000)	(3,000)	-	(3,000)

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
CAPITAL PROJECT EXPENSES							
Rebudgets							
	Rebudget: Alviso Park Improvements	-	3,000	3,000	-	-	3,000
	Rebudget: Glenview Park Expansion	-	(14,000)	(14,000)	-	-	(14,000)
	Rebudget: Guadalupe River Park Ranger Station Rehabilitation	-	28,000	28,000	-	-	28,000
	Rebudget: Happy Hollow Park and Zoo Exhibit Improvements	-	2,000	2,000	-	-	2,000
	Rebudget: La Ragione Playground Renovation	-	3,000	3,000	-	-	3,000
	Rebudget: Park Furniture Improvements	-	10,000	10,000	-	-	10,000
	Rebudget: Police Athletic League Stadium Turf Replacement	-	14,000	14,000	-	-	14,000
	Rebudget: Re-Use Facilities Capital Improvements	-	(36,000)	(36,000)	-	-	(36,000)
	Rebudget: Vehicle Prevention Program	-	57,000	57,000	-	-	57,000
	CAPITAL PROJECTS EXPENSES TOTAL	-	2,274,000	2,274,000	350,000	-	1,924,000

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue			
EARMARKED RESERVES							
Required Technical-Rebalancing Actions	City Attorney's Office Outside Litigation Reserve	-	510,000	510,000	-	-	510,000
	Solid Waste Code Enforcement Program Reserve	-	680,000	680,000	-	-	680,000
	Community and Economic Recovery Reserve	-	1,350,000	1,350,000	-	-	1,350,000
SpecFund Adjustments	Measure E - Interim Housing Maintenance Reserve (15% HSP)	-	(500,000)	(500,000)	-	-	(500,000)
	HOPWA PSH	-	-	-	-	-	-
Clean-Up Actions	Tech Adjust: Artificial Turf Capital Replacement Reserve (Reconciliation)	-	(97,993)	(97,993)	-	-	(97,993)
	Tech Adjust: Measure E - 40% Extremely Low-Income Households Reserve (Reconciliation)	-	(2,794,554)	(2,794,554)	-	-	(2,794,554)
	Tech Adjust: Measure E - 30% Low-Income Households Reserve (Reconciliation)	-	(533,581)	(533,581)	-	-	(533,581)
Rebudgets	Tech Adjust: Measure E - 5% Moderate-Income Households Reserve (Reconciliation)	-	2,208,618	2,208,618	-	-	2,208,618
	Tech Adjust: Measure E - Interim Housing Construction and Operations Reserve (15% HSP) (Reconciliation)	-	(3,123,548)	(3,123,548)	-	-	(3,123,548)
	Tech Adjust: Measure E - 10% Homeless Prevention and Rental Assistance Reserve (Reconciliation)	-	1,524,599	1,524,599	-	-	1,524,599
	Rebudget: Measure E - Guadalupe River Park Housing Support (10% HPRA)	-	-	-	-	-	-
EARMARKED RESERVES TOTAL							
		-	(776,459)	(776,459)	-	-	(776,459)

General Fund
 Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
 2022-2023 Annual Report

Department/Proposal		USE		SOURCE		NET COST	
		Personal Services	Non-Personal/ Equipment	Total Use	Revenue		Beg Fund Balance
CONTINGENCY RESERVES							
Required Technical-Rebalancing Actions	Contingency Reserve	-	1,000,000	1,000,000	-	-	1,000,000
Clean-Up Actions	Tech Adjust: Contingency Reserve (Reconciliation)	-	2,000,000	2,000,000	-	-	2,000,000
	CONTINGENCY RESERVES TOTAL	-	3,000,000	3,000,000	-	-	3,000,000
TRANSFERS							
Required Technical-Rebalancing Actions	Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel)	-	200,000	200,000	-	-	200,000
Clean-Up Actions	Tech Adjust: Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel) (Reconciliation)	-	115,663	115,663	-	-	115,663
	TRANSFERS TOTAL	-	315,663	315,663	-	-	315,663

General Fund
Recommended Budget Adjustments and Clean-Up Actions/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE		SOURCE		NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
REVENUE ADJUSTMENTS						
Required Technical-Rebalancing Actions	Transfers and Reimbursements (Transfer from American Rescue Plan Fund)	-	-	2,244,132	-	(2,244,132)
	Business Taxes	-	-	-	-	-
	Transfers and Reimbursements (Transfer from Municipal Golf Course Fund)	-	-	5,397	-	(5,397)
	Revenue from Local Agencies (Berryessa Union School District - Expanded Learning Opportunities Programs Grant)	-	-	269,648	-	(269,648)
Clean-Up Actions	Transfers and Reimbursements (Transfer from Ice Centre Revenue Fund)	-	-	100,000	-	(100,000)
	Fund Balance Reconciliation	-	-	9,732,443	-	(9,732,443)
	Tech Adjust: Fees, Rates, and Charges (Contractual Street Tree Planting) (Reconciliation)	-	-	(3,400)	-	3,400
	Tech Adjust: Licenses and Permits (Cardroom Regulation Fee Reconciliation)	-	-	(201,956)	-	201,956
Rebudgets	Rebudget: Other Revenue (Knight Foundation - Internet of Things)	-	-	373,000	-	(373,000)
	Rebudget: Revenue from Federal Government (Urban Area Security Grant 2021 (OEM))	-	-	37,697	-	(37,697)
	Rebudget: Revenue from Federal Government (Urban Areas Security Initiative - Police 2021)	-	-	699,910	-	(699,910)
	Rebudget: Revenue from State of California (CaliforniansForAll Youth Workforce Program)	-	-	7,352,145	-	(7,352,145)
REVENUE ADJUSTMENTS TOTAL						
		-	-	20,609,016	-	(20,609,016)
GENERAL FUND TOTAL						
		506,384	29,568,978	30,075,362	30,075,362	-

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Affordable Housing Impact Fee Fund (452)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	(\$1,690,777)	(\$1,690,777)	-	(\$1,690,777)	-
	Rebudget: Loans and Grants	-	-	(\$1,409,010)	\$1,409,010	-	-	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	(\$1,409,010)	(\$281,767)	(\$1,690,777)	\$0	(\$1,690,777)	\$0
	Affordable Housing Impact Fee Fund (452) TOTAL	\$0	\$0	(\$1,409,010)	(\$281,767)	(\$1,690,777)	\$0	(\$1,690,777)	\$0
Airport Customer Facility And Transportation Fee Fund (519)									
Clean-Up and Rebudget Actions									
Airport Department	Fund Balance Reconciliation - Future Debt Service Reserve	-	-	-	\$1,333,220	\$1,333,220	-	\$1,333,220	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$1,333,220	\$1,333,220	\$0	\$1,333,220	\$0
	Airport Customer Facility And Transportation Fee Fund (519) TOTAL	\$0	\$0	\$0	\$1,333,220	\$1,333,220	\$0	\$1,333,220	\$0
Airport Fiscal Agent Fund (525)									
Clean-Up and Rebudget Actions									
Airport Department	Fund Balance Reconciliation - Debt Service Reserve	-	-	-	(\$144,455)	(\$144,455)	-	(\$144,455)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$144,455)	(\$144,455)	\$0	(\$144,455)	\$0
	Airport Fiscal Agent Fund (525) TOTAL	\$0	\$0	\$0	(\$144,455)	(\$144,455)	\$0	(\$144,455)	\$0
Airport Maintenance And Operation Fund (523)									
Clean-Up and Rebudget Actions									
Airport Department	Tech Adjust: Operations Contingency (Reallocation from Personal Services)	-	-	\$3,640	-	\$3,640	-	-	\$3,640
	Fund Reconciliation - Master Trust Agreement Reserve	-	-	-	(\$2,088,527)	(\$2,088,527)	-	(\$2,088,527)	-

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
City Manager - Office of Economic Development and Cultural Affairs	Fund Balance Reconciliation - Workers' Compensation Claims Reserve	-	-	-	(\$148,696)	(\$148,696)	-	(\$148,696)	-
	Tech Adjust: Personal Services (Reallocation to Operations Contingency)	(\$3,640)	-	-	-	(\$3,640)	-	-	(\$3,640)
	Clean-Up and Rebudget Actions TOTAL	(\$3,640)	\$0	\$3,640	(\$2,237,223)	(\$2,237,223)	\$0	(\$2,237,223)	\$0
Airport Maintenance And Operation Fund (523) TOTAL		(\$3,640)	\$0	\$3,640	(\$2,237,223)	(\$2,237,223)	\$0	(\$2,237,223)	\$0
Airport Revenue Fund (521)									
Clean-Up and Rebudget Actions									
Airport Department	Tech Adjust: Airline Agreement Reserve/Transfers and Reimbursements (Jet Fuel Local Sales Tax) (Reconciliation)	-	-	-	\$115,663	\$115,663	\$115,663	-	-
	Fund Reconciliation - Airline Agreement Reserve	-	-	-	(\$697,745)	(\$697,745)	-	(\$697,745)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$582,082)	(\$582,082)	\$115,663	(\$697,745)	\$0
Budget Adjustments									
Airport Department	Airline Agreement Reserve/Transfers and Reimbursements (Jet Fuel Local Sales Tax)	-	-	-	\$200,000	\$200,000	\$200,000	-	-
	Budget Adjustments Total	\$0	\$0	\$0	\$200,000	\$200,000	\$200,000	\$0	\$0
	Airport Revenue Fund (521) TOTAL	\$0	\$0	\$0	(\$382,082)	(\$382,082)	\$315,663	(\$697,745)	\$0
Airport Surplus Revenue Fund (524)									
Clean-Up and Rebudget Actions									
Airport Department	Fund Balance Reconciliation - Airline Agreement Reserve	-	-	-	\$86,761	\$86,761	-	\$86,761	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$86,761	\$86,761	\$0	\$86,761	\$0
	Airport Surplus Revenue Fund (524) TOTAL	\$0	\$0	\$0	\$86,761	\$86,761	\$0	\$86,761	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
American Rescue Plan Fund (402)									
Clean-Up and Rebudget Actions									
Finance									
Department	Fund Balance Reconciliation	-	-	-	\$2,244,132	\$2,244,132	-	\$2,244,132	-
Clean-Up and Rebudget Actions									
TOTAL		\$0	\$0	\$0	\$2,244,132	\$2,244,132	\$0	\$2,244,132	\$0
Budget Adjustments									
Finance									
Department	Transfer to the General Fund	-	-	\$2,244,132	-	\$2,244,132	-	-	\$2,244,132
	Ending Fund Balance Adjustment	-	-	-	(\$2,244,132)	(\$2,244,132)	-	-	(\$2,244,132)
Budget Adjustments Total		\$0	\$0	\$2,244,132	(\$2,244,132)	\$0	\$0	\$0	\$0
American Rescue Plan Fund (402) TOTAL		\$0	\$0	\$2,244,132	\$0	\$2,244,132	\$0	\$2,244,132	\$0
Benefits Funds - Benefit Fund (160)									
Clean-Up and Rebudget Actions									
Human Resources									
Department	Fund Balance Reconciliation	-	-	-	(\$602,895)	(\$602,895)	-	(\$602,895)	-
Clean-Up and Rebudget Actions									
TOTAL		\$0	\$0	\$0	(\$602,895)	(\$602,895)	\$0	(\$602,895)	\$0
Benefits Funds - Benefit Fund (160) TOTAL		\$0	\$0	\$0	(\$602,895)	(\$602,895)	\$0	(\$602,895)	\$0
Benefits Funds - Dental Insurance Fund (155)									
Clean-Up and Rebudget Actions									
Human Resources									
Department	Fund Balance Reconciliation	-	-	-	\$1,007,614	\$1,007,614	-	\$1,007,614	-
Clean-Up and Rebudget Actions									
TOTAL		\$0	\$0	\$0	\$1,007,614	\$1,007,614	\$0	\$1,007,614	\$0
Benefits Funds - Dental Insurance Fund (155) TOTAL		\$0	\$0	\$0	\$1,007,614	\$1,007,614	\$0	\$1,007,614	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Benefits Funds - Life Insurance Fund (156)									
Clean-Up and Rebudget Actions									
Human Resources									
Department	Fund Balance Reconciliation	-	-	-	\$19,519	\$19,519	-	\$19,519	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$19,519	\$19,519	\$0	\$19,519	\$0
<hr/>									
	Benefits Funds - Life Insurance Fund (156) TOTAL	\$0	\$0	\$0	\$19,519	\$19,519	\$0	\$19,519	\$0
Benefits Funds - Unemployment Insurance Fund (157)									
Clean-Up and Rebudget Actions									
Human Resources									
Department	Fund Balance Reconciliation	-	-	-	\$29,130	\$29,130	-	\$29,130	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$29,130	\$29,130	\$0	\$29,130	\$0
<hr/>									
	Benefits Funds - Unemployment Insurance Fund (157) TOTAL	\$0	\$0	\$0	\$29,130	\$29,130	\$0	\$29,130	\$0
Building Development Fee Program Fund (237)									
Clean-Up and Rebudget Actions									
Planning, Building and Code Enforcement									
Department	Fund Balance Reconciliation	-	-	-	\$4,166,981	\$4,166,981	-	\$4,166,981	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$4,166,981	\$4,166,981	\$0	\$4,166,981	\$0
Budget Adjustments									
Planning, Building and Code Enforcement									
Department	Non-Personal Equipment (Plan Review - Peak Staffing)	-	\$1,000,000	-	-	\$1,000,000	-	-	\$1,000,000
	Ending Fund Balance Adjustment	-	-	-	(\$1,000,000)	(\$1,000,000)	-	-	(\$1,000,000)
	Budget Adjustments Total	\$0	\$1,000,000	\$0	(\$1,000,000)	\$0	\$0	\$0	\$0
	Building Development Fee Program Fund (237) TOTAL	\$0	\$1,000,000	\$0	\$3,166,981	\$4,166,981	\$0	\$4,166,981	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Building Homes and Jobs Act Fund (456)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	(\$268,035)	(\$268,035)	-	(\$268,035)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$268,035)	(\$268,035)	\$0	(\$268,035)	\$0
Budget Adjustments									
Housing Department	Housing Shelter	-	-	\$78,989	-	\$78,989	-	-	\$78,989
	Ending Fund Balance Adjustment	-	-	-	\$421,011	\$421,011	-	-	\$421,011
	Housing Shelter	-	-	(\$500,000)	-	(\$500,000)	-	-	(\$500,000)
	Budget Adjustments Total	\$0	\$0	(\$421,011)	\$421,011	\$0	\$0	\$0	\$0
	Building Homes and Jobs Act Fund (456) TOTAL	\$0	\$0	(\$421,011)	\$152,976	(\$268,035)	\$0	(\$268,035)	\$0
Business Improvement District Fund (351)									
Clean-Up and Rebudget Actions									
City Manager - Office of Economic Development and Cultural Affairs	Tech Adjust: Downtown Business Improvement District/Downtown BID Reserve (Revenue Reconciliation)	-	-	\$289,742	-	\$289,742	-	\$289,742	-
	Tech Adjust: Hotel Business Improvement District/Hotel BID Reserve (Revenue Reconciliation)	-	-	\$525,529	-	\$525,529	-	\$525,529	-
	Tech Adjust: Japantown Business Improvement District/Japantown BID Reserve (Revenue Reconciliation)	-	-	\$17,491	-	\$17,491	-	\$17,491	-
	Tech Adjust: Willow Glen BID Reserve/Willow Glen BID Reserve (Revenue Reconciliation)	-	-	\$8,082	-	\$8,082	-	\$8,082	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$840,844	\$0	\$840,844	\$0	\$840,844	\$0
	Business Improvement District Fund (351) TOTAL	\$0	\$0	\$840,844	\$0	\$840,844	\$0	\$840,844	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Cash Reserve Fund (002)									
Clean-Up and Rebudget Actions									
Finance									
Department	Fund Balance Reconciliation	-	-	-	\$38	\$38	-	\$38	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$38	\$38	\$0	\$38	\$0
<hr/>									
	Cash Reserve Fund (002)								
	TOTAL	\$0	\$0	\$0	\$38	\$38	\$0	\$38	\$0
<hr/>									
Citywide Planning Fee Program Fund (239)									
Clean-Up and Rebudget Actions									
Planning, Building and Code Enforcement									
Department	Fund Balance Reconciliation	-	-	-	(\$79,493)	(\$79,493)	-	(\$79,493)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$79,493)	(\$79,493)	\$0	(\$79,493)	\$0
<hr/>									
	Citywide Planning Fee Program Fund (239) TOTAL	\$0	\$0	\$0	(\$79,493)	(\$79,493)	\$0	(\$79,493)	\$0
<hr/>									
City Hall Debt Service Fund (210)									
Clean-Up and Rebudget Actions									
Office of the City Manager									
	Fund Balance Reconciliation	-	-	-	\$223,091	\$223,091	-	\$223,091	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$223,091	\$223,091	\$0	\$223,091	\$0
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	City Hall Debt Service Fund (210) TOTAL	\$0	\$0	\$0	\$223,091	\$223,091	\$0	\$223,091	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Community Development Block Grant Fund (441)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	(\$6,007,905)	(\$6,007,905)	-	(\$6,007,905)	-
	Tech Adjust: Revenue from Federal Government (CARES Act - COVID-19 Round 3 Allocation) (Reconciliation)	-	-	-	\$3,663,810	\$3,663,810	\$3,663,810	-	-
	Rebudget: Neighborhood Infrastructure Improvements	-	-	\$1,233,968	(\$1,233,968)	-	-	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$1,233,968	(\$3,578,063)	(\$2,344,095)	\$3,663,810	(\$6,007,905)	\$0
Budget Adjustments									
Housing Department	CARES Act	-	-	(\$3,314,614)	-	(\$3,314,614)	-	-	(\$3,314,614)
	Community Development Block Grant CV3	-	-	(\$2,500,000)	-	(\$2,500,000)	-	-	(\$2,500,000)
	Ending Fund Balance Adjustment	-	-	-	\$5,814,614	\$5,814,614	-	-	\$5,814,614
	Budget Adjustments Total	\$0	\$0	(\$5,814,614)	\$5,814,614	\$0	\$0	\$0	\$0
	Community Development Block Grant Fund (441) TOTAL	\$0	\$0	(\$4,580,646)	\$2,236,551	(\$2,344,095)	\$3,663,810	(\$6,007,905)	\$0
Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$18,030)	(\$18,030)	-	(\$18,030)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$18,030)	(\$18,030)	\$0	(\$18,030)	\$0
	Community Facilities District No. 1 (Capitol Auto Mall) Fund (371) TOTAL	\$0	\$0	\$0	(\$18,030)	(\$18,030)	\$0	(\$18,030)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$35,089)	(\$35,089)	-	(\$35,089)	-
	Rebudget: Non-Personal/Equipment (Streetlight Fixture Repairs and Replacements)	-	\$91,000	-	-	\$91,000	-	-	\$91,000
	Ending Fund Balance Adjustment: Rebudget	-	-	-	(\$91,000)	(\$91,000)	-	-	(\$91,000)
	Clean-Up and Rebudget Actions TOTAL	\$0	\$91,000	\$0	(\$126,089)	(\$35,089)	\$0	(\$35,089)	\$0
	Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369) TOTAL	\$0	\$91,000	\$0	(\$126,089)	(\$35,089)	\$0	(\$35,089)	\$0
Community Facilities District No. 8 (Communications Hill) Fund (373)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$69,434	\$69,434	-	\$69,434	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$69,434	\$69,434	\$0	\$69,434	\$0
	Community Facilities District No. 8 (Communications Hill) Fund (373) TOTAL	\$0	\$0	\$0	\$69,434	\$69,434	\$0	\$69,434	\$0
Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$47,032	\$47,032	-	\$47,032	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$47,032	\$47,032	\$0	\$47,032	\$0
	Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374) TOTAL	\$0	\$0	\$0	\$47,032	\$47,032	\$0	\$47,032	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Community Facilities District No. 12 (Basking Ridge) Fund (376)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$13,755)	(\$13,755)	-	(\$13,755)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$13,755)	(\$13,755)	\$0	(\$13,755)	\$0
	Community Facilities District No. 12 (Basking Ridge) Fund (376) TOTAL	\$0	\$0	\$0	(\$13,755)	(\$13,755)	\$0	(\$13,755)	\$0
Community Facilities District No. 13 (Guadalupe Mines) Fund (310)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$13,099)	(\$13,099)	-	(\$13,099)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$13,099)	(\$13,099)	\$0	(\$13,099)	\$0
	Community Facilities District No. 13 (Guadalupe Mines) Fund (310) TOTAL	\$0	\$0	\$0	(\$13,099)	(\$13,099)	\$0	(\$13,099)	\$0
Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$17,546	\$17,546	-	\$17,546	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$17,546	\$17,546	\$0	\$17,546	\$0
	Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379) TOTAL	\$0	\$0	\$0	\$17,546	\$17,546	\$0	\$17,546	\$0
Community Facilities District No. 15 (Berryessa-Sierra) Fund (370)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$12,343	\$12,343	-	\$12,343	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$12,343	\$12,343	\$0	\$12,343	\$0
	Community Facilities District No. 15 (Berryessa-Sierra) Fund (370) TOTAL	\$0	\$0	\$0	\$12,343	\$12,343	\$0	\$12,343	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$8,099)	(\$8,099)	-	(\$8,099)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$8,099)	(\$8,099)	\$0	(\$8,099)	\$0
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	Community Facilities District No. 16 (Raleigh-Coronado) Fund (344) TOTAL	\$0	\$0	\$0	(\$8,099)	(\$8,099)	\$0	(\$8,099)	\$0
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Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$5,799)	(\$5,799)	-	(\$5,799)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$5,799)	(\$5,799)	\$0	(\$5,799)	\$0
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	Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496) TOTAL	\$0	\$0	\$0	(\$5,799)	(\$5,799)	\$0	(\$5,799)	\$0
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Community Facilities Revenue Fund (422)									
Clean-Up and Rebudget Actions									
Finance Department	Fund Balance Reconciliation	-	-	-	\$2,675	\$2,675	-	\$2,675	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$2,675	\$2,675	\$0	\$2,675	\$0
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	Community Facilities Revenue Fund (422) TOTAL	\$0	\$0	\$0	\$2,675	\$2,675	\$0	\$2,675	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Convention and Cultural Affairs Fund (536)									
Clean-Up and Rebudget Actions									
City Manager - Office of Economic Development and Cultural Affairs	Fund Balance Reconciliation	-	-	-	\$1,478,164	\$1,478,164	-	\$1,478,164	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$1,478,164	\$1,478,164	\$0	\$1,478,164	\$0
Budget Adjustments									
City Manager - Office of Economic Development and Cultural Affairs	Transfers and Reimbursements (Transfer from Transient Occupancy Tax Fund)	-	-	-	-	-	(\$50,587)	-	\$50,587
	Ending Fund Balance Adjustment	-	-	-	(\$52,587)	(\$52,587)	-	-	(\$52,587)
Finance Department	Insurance Expenses	-	-	\$2,000	-	\$2,000	-	-	\$2,000
	Budget Adjustments Total	\$0	\$0	\$2,000	(\$52,587)	(\$50,587)	(\$50,587)	\$0	\$0
	Convention and Cultural Affairs Fund (536) TOTAL	\$0	\$0	\$2,000	\$1,425,577	\$1,427,577	(\$50,587)	\$1,478,164	\$0
Convention Center Facilities District Revenue Fund (791)									
Clean-Up and Rebudget Actions									
Finance Department	Fund Balance Reconciliation	-	-	-	(\$1,326,044)	(\$1,326,044)	-	(\$1,326,044)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$1,326,044)	(\$1,326,044)	\$0	(\$1,326,044)	\$0
	Convention Center Facilities District Revenue Fund (791) TOTAL	\$0	\$0	\$0	(\$1,326,044)	(\$1,326,044)	\$0	(\$1,326,044)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Coronavirus Relief Fund (401)									
Clean-Up and Rebudget Actions									
Finance									
Department	Fund Balance Reconciliation	-	-	-	\$29,622	\$29,622	-	\$29,622	-
	Rebudget: COVID-19 Personal Services	-	-	\$29,622	(\$29,622)	-	-	-	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$29,622	\$0	\$29,622	\$0	\$29,622	\$0
Coronavirus Relief Fund (401) TOTAL		\$0	\$0	\$29,622	\$0	\$29,622	\$0	\$29,622	\$0
Downtown Property And Business Improvement District Fund (302)									
Clean-Up and Rebudget Actions									
Transportation									
Department	Fund Balance Reconciliation	-	-	-	(\$109,443)	(\$109,443)	-	(\$109,443)	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	(\$109,443)	(\$109,443)	\$0	(\$109,443)	\$0
Budget Adjustments									
Transportation									
Department	General Benefit Contribution	-	-	\$46,500	-	\$46,500	-	-	\$46,500
	Downtown Transit Mall	-	-	\$40,713	-	\$40,713	-	-	\$40,713
	Ending Fund Balance Adjustment	-	-	-	(\$87,213)	(\$87,213)	-	-	(\$87,213)
Budget Adjustments Total		\$0	\$0	\$87,213	(\$87,213)	\$0	\$0	\$0	\$0
Downtown Property And Business Improvement District Fund (302) TOTAL		\$0	\$0	\$87,213	(\$196,656)	(\$109,443)	\$0	(\$109,443)	\$0
Economic Development Administration Loan Fund (444)									
Clean-Up and Rebudget Actions									
Housing									
Department	Fund Balance Reconciliation	-	-	-	\$37	\$37	-	\$37	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$37	\$37	\$0	\$37	\$0
Economic Development Administration Loan Fund (444) TOTAL		\$0	\$0	\$0	\$37	\$37	\$0	\$37	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)									
Clean-Up and Rebudget Actions									
Police Department	Fund Balance Reconciliation	-	-	-	(\$101,475)	(\$101,475)	-	(\$101,475)	-
	Rebudget: 2018 Justice Assistance Grant/Revenue from Federal Government	-	-	(\$193)	-	(\$193)	(\$193)	-	-
	Rebudget: 2019 Justice Assistance Grant/Revenue from Federal Government	-	-	(\$9,168)	-	(\$9,168)	(\$9,168)	-	-
	Rebudget: 2021 Justice Assistance Grant/Revenue from Federal Government	-	-	(\$26,502)	-	(\$26,502)	(\$26,502)	-	-
	Rebudget: 2020 Justice Assistance Grant/Revenue from Federal Government	-	-	-	(\$442)	(\$442)	(\$442)	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	(\$35,863)	(\$101,917)	(\$137,780)	(\$36,305)	(\$101,475)	\$0
	Edward Byrne Memorial Justice Assistance Grant Trust Fund (474) TOTAL	\$0	\$0	(\$35,863)	(\$101,917)	(\$137,780)	(\$36,305)	(\$101,475)	\$0
Emergency Reserve Fund (406)									
Clean-Up and Rebudget Actions									
Finance Department	Fund Balance Reconciliation	-	-	-	(\$27,539,301)	(\$27,539,301)	-	(\$27,539,301)	-
	Rebudget: COVID-19 Emergency Response	-	-	(\$14,751)	\$14,751	-	-	-	-
	Rebudget: Revenue from the Federal Government (COVID-19 Reimbursement from FEMA)	-	-	-	\$30,210,000	\$30,210,000	\$30,210,000	-	-
	Rebudget: 2022-2023 Storm Response and Recovery	-	-	\$3,187,892	(\$3,187,892)	-	-	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$3,173,141	(\$502,442)	\$2,670,699	\$30,210,000	(\$27,539,301)	\$0
	Emergency Reserve Fund (406) TOTAL	\$0	\$0	\$3,173,141	(\$502,442)	\$2,670,699	\$30,210,000	(\$27,539,301)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Federal Drug Forfeiture Fund (419)									
Clean-Up and Rebudget Actions									
Police Department	Fund Balance Reconciliation - Federal Drug Forfeiture Fund - Department of Justice	-	-	-	\$419,014	\$419,014	-	\$419,014	-
	Fund Balance Reconciliation - Federal Drug Forfeiture Fund - Treasury	-	-	-	\$12	\$12	-	\$12	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$419,026	\$419,026	\$0	\$419,026	\$0
	Federal Drug Forfeiture Fund (419) TOTAL	\$0	\$0	\$0	\$419,026	\$419,026	\$0	\$419,026	\$0
Fire Development Fee Program Fund (240)									
Clean-Up and Rebudget Actions									
Fire Department	Fund Balance Reconciliation	-	-	-	\$51,465	\$51,465	-	\$51,465	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$51,465	\$51,465	\$0	\$51,465	\$0
Budget Adjustments									
Fire Department	Fire Inspection Improvements	-	-	(\$146,818)	-	(\$146,818)	-	-	(\$146,818)
	Fire Development Fee Program - Non-Personal/Equipment (Professional and Consultant Services)	-	(\$28,800)	-	-	(\$28,800)	-	-	(\$28,800)
	Ending Fund Balance Adjustment	-	-	-	\$175,618	\$175,618	-	-	\$175,618
	Budget Adjustments Total	\$0	(\$28,800)	(\$146,818)	\$175,618	\$0	\$0	\$0	\$0
	Fire Development Fee Program Fund (240) TOTAL	\$0	(\$28,800)	(\$146,818)	\$227,083	\$51,465	\$0	\$51,465	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
General Purpose Parking Fund (533)									
Clean-Up and Rebudget Actions									
Transportation									
Department	Fund Balance Reconciliation	-	-	-	\$225,012	\$225,012	-	\$225,012	-
Clean-Up and Rebudget Actions									
TOTAL		\$0	\$0	\$0	\$225,012	\$225,012	\$0	\$225,012	\$0
General Purpose Parking Fund (533) TOTAL		\$0	\$0	\$0	\$225,012	\$225,012	\$0	\$225,012	\$0
Gift Trust Fund (139)									
Clean-Up and Rebudget Actions									
Finance									
Department	Fund Balance Reconciliation	-	-	-	\$2,580,995	\$2,580,995	-	\$2,580,995	-
Airport Department	Rebudget: Heliport System Plan Study	-	-	\$31,640	-	\$31,640	-	-	\$31,640
	Rebudget: Art Work	-	-	\$9,789	-	\$9,789	-	-	\$9,789
	Rebudget: Airport Military Lounge	-	-	\$618	-	\$618	-	-	\$618
Office of the City Clerk	Rebudget: Mayor's College Motivation Program	-	-	\$22,514	-	\$22,514	-	-	\$22,514
	Rebudget: Go Girl Go BAWSI	-	-	\$1,101	-	\$1,101	-	-	\$1,101
	Rebudget: CommUnity Resource Fair	-	-	\$25,225	-	\$25,225	-	-	\$25,225
	Rebudget: Annual District I Festival in the Park	-	-	\$1,751	-	\$1,751	-	-	\$1,751
Office of the City Manager	Rebudget: Facebook	-	-	\$94,977	-	\$94,977	-	-	\$94,977
City Manager - Office of Economic Development and Cultural Affairs	Rebudget: Cultural Performance	-	-	\$168	-	\$168	-	-	\$168
	Rebudget: Dando Artwork Maintenance	-	-	\$26,071	-	\$26,071	-	-	\$26,071

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
	Rebudget: Arts and Education Week	-	-	\$7,764	-	\$7,764	-	-	\$7,764
	Rebudget: Incubation Office Project	-	-	\$8,451	-	\$8,451	-	-	\$8,451
	Rebudget: OED Miscellaneous Gifts	-	-	\$33	-	\$33	-	-	\$33
	Rebudget: Sponsorship Gifts	-	-	\$193	-	\$193	-	-	\$193
	Rebudget: Albino, Erminia and Alba Joyce Martini Memorial Fund	-	-	\$83,918	-	\$83,918	-	-	\$83,918
	Rebudget: Art + Technology Program	-	-	\$41,218	-	\$41,218	-	-	\$41,218
Finance Department	Ending Fund Balance Adjustment: Rebudgets	-	-	-	(\$2,573,293)	(\$2,573,293)	-	-	(\$2,573,293)
Fire Department	Rebudget: Public Education Program	-	-	\$25,609	-	\$25,609	-	-	\$25,609
	Rebudget: Hazardous Material Training	-	-	\$866	-	\$866	-	-	\$866
Independent Police Auditor's Office	Rebudget: IPA's Teen Leadership Council	-	-	\$2,336	-	\$2,336	-	-	\$2,336
Library Department	Rebudget: Calabazas Branch Library	-	-	\$1,968	-	\$1,968	-	-	\$1,968
	Rebudget: Library Literacy Project	-	-	\$9,940	-	\$9,940	-	-	\$9,940
	Rebudget: Books for Little Hands	-	-	\$1,377	-	\$1,377	-	-	\$1,377
	Rebudget: Library-General Gifts	-	-	\$391,428	-	\$391,428	-	-	\$391,428
	Rebudget: Garbage Stickers	-	-	\$14,528	-	\$14,528	-	-	\$14,528
Parks, Recreation and Neighborhood Services Department	Rebudget: San José Vietnam War Memorial	-	-	\$13,301	-	\$13,301	-	-	\$13,301
	Rebudget: Camden Community Center Miscellaneous Gifts	-	-	\$3,802	-	\$3,802	-	-	\$3,802

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: Family Camp Camperships	-	-	\$6,205	-	\$6,205	-	-	\$6,205
Rebudget: Roosevelt Roller Hockey Rink Legacy Project 2018-2019	-	-	\$82,001	-	\$82,001	-	-	\$82,001
Rebudget: Animal Adoption	-	-	\$4,722	-	\$4,722	-	-	\$4,722
Rebudget: Miscellaneous Gifts Under \$1,000	-	-	\$20,281	-	\$20,281	-	-	\$20,281
Rebudget: N. San Pedro Area Park Maintenance	-	-	\$95,454	-	\$95,454	-	-	\$95,454
Rebudget: Commodore Park Maintenance	-	-	\$16,436	-	\$16,436	-	-	\$16,436
Rebudget: Seven Trees Music Wish Book	-	-	\$36,352	-	\$36,352	-	-	\$36,352
Rebudget: Castro School Landscaping	-	-	\$7,762	-	\$7,762	-	-	\$7,762
Rebudget: Rotary Playground Improvements	-	-	\$50,027	-	\$50,027	-	-	\$50,027
Rebudget: Willow Glen Senior Programming	-	-	\$8,128	-	\$8,128	-	-	\$8,128
Rebudget: Alum Rock Park	-	-	\$29,283	-	\$29,283	-	-	\$29,283
Rebudget: J. Ward Memorial Scholarship	-	-	\$1,309	-	\$1,309	-	-	\$1,309
Rebudget: Overfelt Gardens	-	-	\$1,795	-	\$1,795	-	-	\$1,795
Rebudget: Alviso Community Center	-	-	\$24,007	-	\$24,007	-	-	\$24,007
Rebudget: RP & CS General Gifts over \$1,000	-	-	\$44,343	-	\$44,343	-	-	\$44,343
Rebudget: Willow Glen Founders Day	-	-	\$775	-	\$775	-	-	\$775
Rebudget: Gullo Park Turf Irrigation	-	-	\$20,293	-	\$20,293	-	-	\$20,293
Rebudget: Combined Gifts	-	-	\$7,410	-	\$7,410	-	-	\$7,410
Rebudget: Youth Commission	-	-	\$9,462	-	\$9,462	-	-	\$9,462
Rebudget: Leland High School Tennis	-	-	\$2,710	-	\$2,710	-	-	\$2,710

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: Community Cultural Council	-	-	\$4,161	-	\$4,161	-	-	\$4,161
Rebudget: Mise and Starbird Gift	-	-	\$39,207	-	\$39,207	-	-	\$39,207
Rebudget: Alviso Recreation and Teen Program	-	-	\$1,998	-	\$1,998	-	-	\$1,998
Rebudget: Friends of Paul Moore Park	-	-	\$4,479	-	\$4,479	-	-	\$4,479
Rebudget: St. James Park Landscaping	-	-	\$9,149	-	\$9,149	-	-	\$9,149
Rebudget: Nicolas Prusch Swimming	-	-	\$5,856	-	\$5,856	-	-	\$5,856
Rebudget: Berryessa Center Art Project	-	-	\$2,693	-	\$2,693	-	-	\$2,693
Rebudget: Japanese Friendship Garden	-	-	\$17,888	-	\$17,888	-	-	\$17,888
Rebudget: Grace Community Center	-	-	\$43,837	-	\$43,837	-	-	\$43,837
Rebudget: Emma Prusch Farm Park	-	-	\$10,301	-	\$10,301	-	-	\$10,301
Rebudget: O'Donnell's Gardens Park	-	-	\$6,433	-	\$6,433	-	-	\$6,433
Rebudget: Almaden Lake Park	-	-	\$2,685	-	\$2,685	-	-	\$2,685
Rebudget: Calabazas BMX Park	-	-	\$3,231	-	\$3,231	-	-	\$3,231
Rebudget: Almaden Winery Improvements	-	-	\$30,937	-	\$30,937	-	-	\$30,937
Rebudget: Safe Summer Initiative	-	-	\$25,632	-	\$25,632	-	-	\$25,632
Rebudget: Newhall Park Maintenance	-	-	\$37,798	-	\$37,798	-	-	\$37,798
Rebudget: River Oaks Park Maintenance	-	-	\$71,289	-	\$71,289	-	-	\$71,289
Rebudget: Vista Montana Park Maintenance	-	-	\$381,910	-	\$381,910	-	-	\$381,910
Rebudget: Lake Cunningham Skate Park	-	-	\$7,478	-	\$7,478	-	-	\$7,478
Rebudget: Almaden Lake Park Rangers	-	-	\$746	-	\$746	-	-	\$746
Rebudget: Mayor's Gang Prevention Task Force Clean Slate Program	-	-	\$11,347	-	\$11,347	-	-	\$11,347

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Police Department	Rebudget: Miscellaneous Gifts under \$5,000	-	-	\$28,061	-	\$28,061	-	-	\$28,061
	Rebudget: Police Mounted Unit	-	-	\$18,939	-	\$18,939	-	-	\$18,939
	Rebudget: Police Educational Robot	-	-	\$223	-	\$223	-	-	\$223
	Rebudget: Trauma Kits	-	-	\$188	-	\$188	-	-	\$188
	Rebudget: Robbery Secret Witness	-	-	\$1,617	-	\$1,617	-	-	\$1,617
	Rebudget: Anti-Theft Car Campaign	-	-	\$5	-	\$5	-	-	\$5
	Rebudget: G.E.A.R. Program	-	-	\$25	-	\$25	-	-	\$25
	Rebudget: Police & School Partnership Program	-	-	\$944	-	\$944	-	-	\$944
	Rebudget: School Safety Gifts	-	-	\$79	-	\$79	-	-	\$79
	Rebudget: Canine Unit	-	-	\$12,622	-	\$12,622	-	-	\$12,622
	Rebudget: Crime Prevention Committee	-	-	\$939	-	\$939	-	-	\$939
	Rebudget: CADPE - Drug Education	-	-	\$132	-	\$132	-	-	\$132
	Rebudget: Communications Facility Fitness Center	-	-	\$223	-	\$223	-	-	\$223
	Rebudget: Children's Interview Center	-	-	\$31,601	-	\$31,601	-	-	\$31,601
	Rebudget: Community Services Program	-	-	\$3,244	-	\$3,244	-	-	\$3,244
	Rebudget: Cybercadet Program	-	-	\$485	-	\$485	-	-	\$485
	Rebudget: Major Awards Banquet	-	-	\$96	-	\$96	-	-	\$96
	Rebudget: Volunteer Program	-	-	\$68	-	\$68	-	-	\$68
	Rebudget: Child Safety Seats	-	-	\$282	-	\$282	-	-	\$282
	Rebudget: S.A.V.E. Program	-	-	\$38,896	-	\$38,896	-	-	\$38,896
	Rebudget: Mayor's Safe Families	-	-	\$124	-	\$124	-	-	\$124
	Rebudget: Internet Crimes Against Children	-	-	\$228	-	\$228	-	-	\$228
	Rebudget: Scholastic Crime Stoppers	-	-	\$499	-	\$499	-	-	\$499
	Rebudget: Investigative Enhancement	-	-	\$866	-	\$866	-	-	\$866
	Rebudget: Police Reserves Unit	-	-	\$2,627	-	\$2,627	-	-	\$2,627

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Public Works Department	Rebudget: Kinjo Gardens	-	-	\$6,081	-	\$6,081	-	-	\$6,081
	Rebudget: Spay / Neuter Program	-	-	\$49,561	-	\$49,561	-	-	\$49,561
	Rebudget: Animal Services Donations	-	-	\$376,235	-	\$376,235	-	-	\$376,235
Transportation Department	Rebudget: Coleman / Guadalupe Traffic Study and Mitigation	-	-	\$16,614	-	\$16,614	-	-	\$16,614
	Rebudget: Mitty/Bevans Pedestrian Safety Project	-	-	(\$39,366)	-	(\$39,366)	-	-	(\$39,366)
	Rebudget: Enhanced Crosswalk at Hedding and Elm Streets	-	-	\$10,334	-	\$10,334	-	-	\$10,334
	Rebudget: Our City Forest	-	-	\$13	-	\$13	-	-	\$13
	Rebudget: Pedestrian Enhancements - International Circle and Hospital Parkway	-	-	\$2,412	-	\$2,412	-	-	\$2,412
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$2,573,293	\$7,702	\$2,580,995	\$0	\$2,580,995	\$0
Budget Adjustments									
Finance Department	Ending Fund Balance Adjustment	-	-	-	(\$7,702)	(\$7,702)	-	-	(\$7,702)
Parks, Recreation and Neighborhood Services Department	Mayfair Senior Programming	-	-	\$7,702	-	\$7,702	-	-	\$7,702
	Berryessa Senior Programming/Other Revenue	-	-	\$15,067	-	\$15,067	\$15,067	-	-
Transportation Department	Mitty/Bevans Pedestrian Safety Project/Other Revenue	-	-	\$51,012	-	\$51,012	\$51,012	-	-
	Budget Adjustments Total	\$0	\$0	\$73,781	(\$7,702)	\$66,079	\$66,079	\$0	\$0
	Gift Trust Fund (139) TOTAL	\$0	\$0	\$2,647,074	\$0	\$2,647,074	\$66,079	\$2,580,995	\$0
Home Investment Partnership Program Trust Fund (445)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	\$3,080,883	\$3,080,883	-	\$3,080,883	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$3,080,883	\$3,080,883	\$0	\$3,080,883	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Housing Department	Housing Project Reserve	-	-	-	\$3,000,000	\$3,000,000	-	-	\$3,000,000
	Ending Fund Balance Adjustment	-	-	-	(\$3,000,000)	(\$3,000,000)	-	-	(\$3,000,000)
	Budget Adjustments Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Home Investment Partnership Program Trust Fund (445)								
	TOTAL	\$0	\$0	\$0	\$3,080,883	\$3,080,883	\$0	\$3,080,883	\$0

Homeless Housing, Assistance, and Prevention Fund (454)

Clean-Up and Rebudget Actions

Housing Department	Fund Balance Reconciliation	-	-	-	(\$19,347,369)	(\$19,347,369)	-	(\$19,347,369)	-
	Tech Adjust: Revenue from State of California (Homeless Housing Assistance and Prevention Grants) (Reconciliation)	-	-	-	\$20,965,076	\$20,965,076	\$20,965,076	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$1,617,707	\$1,617,707	\$20,965,076	(\$19,347,369)	\$0

Budget Adjustments

Housing Department	Emergency Shelters	-	-	\$674,194	-	\$674,194	-	-	\$674,194
	Ending Fund Balance Adjustment	-	-	-	(\$674,194)	(\$674,194)	-	-	(\$674,194)
	Budget Adjustments Total	\$0	\$0	\$674,194	(\$674,194)	\$0	\$0	\$0	\$0
	Homeless Housing, Assistance, and Prevention Fund (454)								
	TOTAL	\$0	\$0	\$674,194	\$943,513	\$1,617,707	\$20,965,076	(\$19,347,369)	\$0

Housing Trust Fund (440)

Clean-Up and Rebudget Actions

Housing Department	Fund Balance Reconciliation	-	-	-	(\$795,146)	(\$795,146)	-	(\$795,146)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$795,146)	(\$795,146)	\$0	(\$795,146)	\$0
	Housing Trust Fund (440) TOTAL	\$0	\$0	\$0	(\$795,146)	(\$795,146)	\$0	(\$795,146)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Ice Centre Revenue Fund (432)									
Clean-Up and Rebudget Actions									
Finance Department	Fund Balance Reconciliation	-	-	-	\$699,846	\$699,846	-	\$699,846	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$699,846	\$699,846	\$0	\$699,846	\$0
Budget Adjustments									
Finance Department	Other Revenue (Ice Centre Expansion Project (Enhancements))	-	-	-	-	-	\$2,087,108	-	(\$2,087,108)
	Ice Centre Expansion (Enhancements)	-	-	\$1,987,108	-	\$1,987,108	-	-	\$1,987,108
	Transfer to the General Fund - Public Works Oversight	-	-	\$100,000	-	\$100,000	-	-	\$100,000
	Capital Rehabilitation Reserve	-	-	-	\$843,020	\$843,020	-	-	\$843,020
	Ending Fund Balance Adjustment	-	-	-	(\$843,020)	(\$843,020)	-	-	(\$843,020)
Budget Adjustments Total		\$0	\$0	\$2,087,108	\$0	\$2,087,108	\$2,087,108	\$0	\$0
Ice Centre Revenue Fund (432) TOTAL		\$0	\$0	\$2,087,108	\$699,846	\$2,786,954	\$2,087,108	\$699,846	\$0
Inclusionary Fee Fund (451)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	\$12,211,740	\$12,211,740	-	\$12,211,740	-
	Fund Balance Reconciliation - Housing Project Reserve	-	-	-	(\$13,500,000)	(\$13,500,000)	-	(\$13,500,000)	-
	Rebudget: Housing Loans and Grant	-	-	\$16,271,164	(\$16,271,164)	-	-	-	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$16,271,164	(\$17,559,424)	(\$1,288,260)	\$0	(\$1,288,260)	\$0
Budget Adjustments									
Housing Department	Missing Middle Affordable Housing Reserve	-	-	-	(\$10,000,000)	(\$10,000,000)	-	-	(\$10,000,000)
	Housing Project Reserve	-	-	-	(\$30,000,000)	(\$30,000,000)	-	-	(\$30,000,000)
	Committed Projects Reserve	-	-	-	\$40,000,000	\$40,000,000	-	-	\$40,000,000
Budget Adjustments Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inclusionary Fee Fund (451) TOTAL		\$0	\$0	\$16,271,164	(\$17,559,424)	(\$1,288,260)	\$0	(\$1,288,260)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Integrated Waste Management Fund (423)									
Clean-Up and Rebudget Actions									
Environmental Services Department	Ending Fund Balance Adjustment: Rebudgets	-	-	-	(\$293,293)	(\$293,293)	-	-	(\$293,293)
	Fund Balance Reconciliation	-	-	-	\$454,818	\$454,818	-	\$454,818	-
	Rebudget: CalRecycle SB1383 Grant	-	-	\$293,293	-	\$293,293	-	-	\$293,293
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$293,293	\$161,525	\$454,818	\$0	\$454,818	\$0
Integrated Waste Management Fund (423) TOTAL		\$0	\$0	\$293,293	\$161,525	\$454,818	\$0	\$454,818	\$0
Library Parcel Tax Fund (418)									
Clean-Up and Rebudget Actions									
Library Department	Fund Balance Reconciliation	-	-	-	\$444,694	\$444,694	-	\$444,694	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$444,694	\$444,694	\$0	\$444,694	\$0
Library Parcel Tax Fund (418) TOTAL		\$0	\$0	\$0	\$444,694	\$444,694	\$0	\$444,694	\$0
Low And Moderate Income Housing Asset Fund (346)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	\$58,326,845	\$58,326,845	-	\$58,326,845	-
	Rebudget: Housing Loans and Grants	-	-	\$44,974,853	(\$44,974,853)	-	-	-	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$44,974,853	\$13,351,992	\$58,326,845	\$0	\$58,326,845	\$0
Budget Adjustments									
Housing Department	Housing Loans and Grants (The Algarve Development)	-	-	(\$10,500,000)	-	(\$10,500,000)	-	-	(\$10,500,000)
	Housing Loans and Grants (The Vela Apartments)	-	-	\$300,000	-	\$300,000	-	-	\$300,000

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Housing Project Reserve	-	-	-	\$23,200,000	\$23,200,000	-	-	\$23,200,000
Ending Fund Balance Adjustment	-	-	-	(\$13,000,000)	(\$13,000,000)	-	-	(\$13,000,000)
Budget Adjustments Total	\$0	\$0	(\$10,200,000)	\$10,200,000	\$0	\$0	\$0	\$0
Low And Moderate Income Housing Asset Fund (346) TOTAL	\$0	\$0	\$34,774,853	\$23,551,992	\$58,326,845	\$0	\$58,326,845	\$0

Maintenance District No. 1 (Los Paseos) Fund (352)

Clean-Up and Rebudget Actions

Transportation Department	Fund Balance Reconciliation	-	-	-	(\$42,612)	(\$42,612)	-	(\$42,612)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$42,612)	(\$42,612)	\$0	(\$42,612)	\$0
	Maintenance District No. 1 (Los Paseos) Fund (352) TOTAL	\$0	\$0	\$0	(\$42,612)	(\$42,612)	\$0	(\$42,612)	\$0

Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354)

Clean-Up and Rebudget Actions

Transportation Department	Fund Balance Reconciliation	-	-	-	(\$9,474)	(\$9,474)	-	(\$9,474)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$9,474)	(\$9,474)	\$0	(\$9,474)	\$0
	Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354) TOTAL	\$0	\$0	\$0	(\$9,474)	(\$9,474)	\$0	(\$9,474)	\$0

Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357)

Clean-Up and Rebudget Actions

Transportation Department	Fund Balance Reconciliation	-	-	-	\$4,274	\$4,274	-	\$4,274	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$4,274	\$4,274	\$0	\$4,274	\$0
	Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357) TOTAL	\$0	\$0	\$0	\$4,274	\$4,274	\$0	\$4,274	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Maintenance District No. 8 (Zanker-Montague) Fund (361)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$13,045	\$13,045	-	\$13,045	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$13,045	\$13,045	\$0	\$13,045	\$0
Maintenance District No. 8 (Zanker-Montague) Fund (361) TOTAL		\$0	\$0	\$0	\$13,045	\$13,045	\$0	\$13,045	\$0
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$30,925	\$30,925	-	\$30,925	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$30,925	\$30,925	\$0	\$30,925	\$0
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362) TOTAL		\$0	\$0	\$0	\$30,925	\$30,925	\$0	\$30,925	\$0
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$5,777)	(\$5,777)	-	(\$5,777)	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	(\$5,777)	(\$5,777)	\$0	(\$5,777)	\$0
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364) TOTAL		\$0	\$0	\$0	(\$5,777)	(\$5,777)	\$0	(\$5,777)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Maintenance District No. 13 (Karina-O'Nel) Fund (366)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$8,745	\$8,745	-	\$8,745	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$8,745	\$8,745	\$0	\$8,745	\$0
	(Karina-O'Nel) Fund (366)								
	TOTAL	\$0	\$0	\$0	\$8,745	\$8,745	\$0	\$8,745	\$0
Maintenance District No. 15 (Silver Creek Valley) Fund (368)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$26,964)	(\$26,964)	-	(\$26,964)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$26,964)	(\$26,964)	\$0	(\$26,964)	\$0
	Maintenance District No. 15 (Silver Creek Valley) Fund (368)								
	TOTAL	\$0	\$0	\$0	(\$26,964)	(\$26,964)	\$0	(\$26,964)	\$0
Maintenance District No. 18 (The Meadowlands) Fund (372)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$8,704)	(\$8,704)	-	(\$8,704)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$8,704)	(\$8,704)	\$0	(\$8,704)	\$0
	Maintenance District No. 18 (The Meadowlands) Fund (372)								
	TOTAL	\$0	\$0	\$0	(\$8,704)	(\$8,704)	\$0	(\$8,704)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$6,136	\$6,136	-	\$6,136	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$6,136	\$6,136	\$0	\$6,136	\$0
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	Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359) TOTAL	\$0	\$0	\$0	\$6,136	\$6,136	\$0	\$6,136	\$0
Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$14,949	\$14,949	-	\$14,949	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$14,949	\$14,949	\$0	\$14,949	\$0
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	Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365) TOTAL	\$0	\$0	\$0	\$14,949	\$14,949	\$0	\$14,949	\$0
Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$2,292)	(\$2,292)	-	(\$2,292)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$2,292)	(\$2,292)	\$0	(\$2,292)	\$0
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	Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356) TOTAL	\$0	\$0	\$0	(\$2,292)	(\$2,292)	\$0	(\$2,292)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367)									
Clean-Up and Rebudget Actions									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$14,520	\$14,520	-	\$14,520	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$14,520	\$14,520	\$0	\$14,520	\$0
	Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367) TOTAL	\$0	\$0	\$0	\$14,520	\$14,520	\$0	\$14,520	\$0
Multi-Source Housing Fund (448)									
Clean-Up and Rebudget Actions									
Housing Department	Fund Balance Reconciliation	-	-	-	(\$5,741,427)	(\$5,741,427)	-	(\$5,741,427)	-
	Rebudget: Project Homekey 2.0	-	-	(\$53,966)	\$53,966	-	-	-	-
	Rebudget: Encampment Resolution Funding Grant	-	-	(\$868,304)	\$868,304	-	-	-	-
	Rebudget: All Home Grant	-	-	\$500,000	(\$500,000)	-	-	-	-
	Rebudget: Project HomeKey	-	-	\$365,722	(\$365,722)	-	-	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	(\$56,548)	(\$5,684,879)	(\$5,741,427)	\$0	(\$5,741,427)	\$0
Budget Adjustments									
Housing Department	Housing Loans and Grants	-	-	(\$2,158,002)	-	(\$2,158,002)	-	-	(\$2,158,002)
	Emergency Shelters	-	-	\$180,526	-	\$180,526	-	-	\$180,526
	Project HomeKey	-	-	\$79,165	-	\$79,165	-	-	\$79,165
	HOPWA PSH	-	-	(\$1,176,498)	-	(\$1,176,498)	-	-	(\$1,176,498)
	Encampment Resolution Funding Grant	-	-	\$32,232	-	\$32,232	-	-	\$32,232
	Eviction Diversion Program/Revenue from State of California	-	-	\$2,000,000	-	\$2,000,000	\$2,000,000	-	-

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Ending Fund Balance Adjustment	-	-	-	\$512,577	\$512,577	-	-	\$512,577
Recovery Act - Neighborhood Stabilization Program 2	-	-	(\$70,000)	-	(\$70,000)	-	-	(\$70,000)
Homeless Rapid Rehousing	-	-	\$2,600,000	-	\$2,600,000	-	-	\$2,600,000
Transfer to the Multi-Source Housing Fund (Homeless Emergency Aid Program)	-	-	\$490,410	-	\$490,410	-	-	\$490,410
Transfers and Reimbursements (Transfer from the Homeless Emergency Aid Program Fund)	-	-	-	-	-	\$490,410	-	(\$490,410)
Budget Adjustments Total	\$0	\$0	\$1,977,833	\$512,577	\$2,490,410	\$2,490,410	\$0	\$0
Multi-Source Housing Fund (448) TOTAL	\$0	\$0	\$1,921,285	(\$5,172,302)	(\$3,251,017)	\$2,490,410	(\$5,741,427)	\$0

Municipal Golf Course Fund (518)

Clean-Up and Rebudget Actions

Parks, Recreation and Neighborhood Services

Department	Fund Balance Reconciliation	-	-	-	\$153,054	\$153,054	-	\$153,054	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$153,054	\$153,054	\$0	\$153,054	\$0

Budget Adjustments

Parks, Recreation and Neighborhood Services

Department	Rancho Del Pueblo Golf Course Transfer to the General Fund - Golf Course Insurance Premium/Revenue from the Use of Money/Property	-	-	\$173,470	-	\$173,470	-	-	\$173,470
	Ending Fund Balance Adjustment	-	-	-	(\$173,470)	(\$173,470)	-	-	(\$173,470)
	Budget Adjustments Total	\$0	\$0	\$178,867	(\$173,470)	\$5,397	\$5,397	\$0	\$0
	Municipal Golf Course Fund (518) TOTAL	\$0	\$0	\$178,867	(\$20,416)	\$158,451	\$5,397	\$153,054	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Planning Development Fee Program Fund (238)									
Clean-Up and Rebudget Actions									
Planning, Building and Code Enforcement Department	Fund Balance Reconciliation	-	-	-	\$47,824	\$47,824	-	\$47,824	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$47,824	\$47,824	\$0	\$47,824	\$0
Budget Adjustments									
Planning, Building and Code Enforcement Department	Non-Personal/Equipment (Zoning Conformance - Peak Staffing)	-	\$135,000	-	-	\$135,000	-	-	\$135,000
	Ending Fund Balance Adjustment	-	-	-	(\$135,000)	(\$135,000)	-	-	(\$135,000)
	Budget Adjustments Total	\$0	\$135,000	\$0	(\$135,000)	\$0	\$0	\$0	\$0
	Planning Development Fee Program Fund (238) TOTAL	\$0	\$135,000	\$0	(\$87,176)	\$47,824	\$0	\$47,824	\$0
Public Works Development Fee Program Fund (241)									
Clean-Up and Rebudget Actions									
Public Works Department	Fund Balance Reconciliation	-	-	-	\$2,175,175	\$2,175,175	-	\$2,175,175	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$2,175,175	\$2,175,175	\$0	\$2,175,175	\$0
	Public Works Development Fee Program Fund (241) TOTAL	\$0	\$0	\$0	\$2,175,175	\$2,175,175	\$0	\$2,175,175	\$0
Public Works Program Support Fund (150)									
Clean-Up and Rebudget Actions									
Public Works Department	Fund Balance Reconciliation	-	-	-	(\$2,088,862)	(\$2,088,862)	-	(\$2,088,862)	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	(\$2,088,862)	(\$2,088,862)	\$0	(\$2,088,862)	\$0
	Public Works Program Support Fund (150) TOTAL	\$0	\$0	\$0	(\$2,088,862)	(\$2,088,862)	\$0	(\$2,088,862)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Public Works Small Cell Permitting Fee Program Fund (242)									
Clean-Up and Rebudget Actions									
Public Works									
Department	Fund Balance Reconciliation	-	-	-	\$166,327	\$166,327	-	\$166,327	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$166,327	\$166,327	\$0	\$166,327	\$0
	Public Works Small Cell Permitting Fee Program Fund (242) TOTAL	\$0	\$0	\$0	\$166,327	\$166,327	\$0	\$166,327	\$0
Rental Stabilization Program Fee Fund (450)									
Clean-Up and Rebudget Actions									
Housing									
Department	Fund Balance Reconciliation	-	-	-	\$782,483	\$782,483	-	\$782,483	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$782,483	\$782,483	\$0	\$782,483	\$0
Budget Adjustments									
Housing									
Department	Non-Personal/Equipment (Hearing Officer Consultant Services)	-	\$200,000	-	-	\$200,000	-	-	\$200,000
	Ending Fund Balance Adjustment	-	-	-	(\$200,000)	(\$200,000)	-	-	(\$200,000)
	Budget Adjustments Total	\$0	\$200,000	\$0	(\$200,000)	\$0	\$0	\$0	\$0
	Rental Stabilization Program Fee Fund (450) TOTAL	\$0	\$200,000	\$0	\$582,483	\$782,483	\$0	\$782,483	\$0
San José Arena Capital Reserve Fund (459)									
Clean-Up and Rebudget Actions									
Office of the City									
Manager	Fund Balance Reconciliation	-	-	-	\$2,472,464	\$2,472,464	-	\$2,472,464	-
	Previously Approved Repairs Reserve	-	-	-	\$2,400,924	\$2,400,924	-	-	\$2,400,924
	Ending Fund Balance Adjustment	-	-	-	(\$2,400,924)	(\$2,400,924)	-	-	(\$2,400,924)
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$2,472,464	\$2,472,464	\$0	\$2,472,464	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Office of the City Manager	Previously Approved Repairs Reserve	-	-	-	(\$623,260)	(\$623,260)	-	-	(\$623,260)
City Manager - Office of Economic Development and Cultural Affairs	Electrical Repairs	-	-	\$254,185	-	\$254,185	-	-	\$254,185
	Mechanical Repairs	-	-	\$198,574	-	\$198,574	-	-	\$198,574
	Structures Repairs	-	-	\$96,207	-	\$96,207	-	-	\$96,207
	Unanticipated / Emergency Repairs	-	-	\$74,294	-	\$74,294	-	-	\$74,294
	Budget Adjustments Total	\$0	\$0	\$623,260	(\$623,260)	\$0	\$0	\$0	\$0
	San José Arena Capital Reserve Fund (459) TOTAL	\$0	\$0	\$623,260	\$1,849,204	\$2,472,464	\$0	\$2,472,464	\$0
San José Clean Energy Operating Fund (501)									
Clean-Up and Rebudget Actions									
Community Energy Department	Fund Balance Reconciliation	-	-	-	(\$6,287,951)	(\$6,287,951)	-	(\$6,287,951)	-
	Rebudget: Non-Personal/Equipment (CALeVIP Grant)	-	\$264,047	-	-	\$264,047	-	-	\$264,047
	Rebudget: Disadvantaged Communities - Green Tariff/Revenue from State of California	-	-	(\$131,971)	-	(\$131,971)	(\$131,971)	-	-
	Rebudget: Energy Efficiency Programs/Revenue from State of California	-	-	(\$72,996)	-	(\$72,996)	\$1,371,583	-	(\$1,444,579)
	Ending Fund Balance Adjustment: Rebudgets	-	-	-	\$1,180,532	\$1,180,532	-	-	\$1,180,532
	Clean-Up and Rebudget Actions TOTAL	\$0	\$264,047	(\$204,967)	(\$5,107,419)	(\$5,048,339)	\$1,239,612	(\$6,287,951)	\$0
	San José Clean Energy Operating Fund (501) TOTAL	\$0	\$264,047	(\$204,967)	(\$5,107,419)	(\$5,048,339)	\$1,239,612	(\$6,287,951)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
San José-Santa Clara Treatment Plant Income Fund (514)									
Clean-Up and Rebudget Actions									
Environmental Services Department									
	Fund Balance Reconciliation	-	-	-	\$187,821	\$187,821	-	\$187,821	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	\$187,821	\$187,821	\$0	\$187,821	\$0
	San José-Santa Clara Treatment Plant Income Fund (514) TOTAL	\$0	\$0	\$0	\$187,821	\$187,821	\$0	\$187,821	\$0
San José-Santa Clara Treatment Plant Operating Fund (513)									
Clean-Up and Rebudget Actions									
Environmental Services Department									
	Ending Fund Balance Adjustment: Rebudgets	-	-	-	(\$85,510)	(\$85,510)	-	-	(\$85,510)
	Fund Balance Reconciliation	-	-	-	\$1,431,766	\$1,431,766	-	\$1,431,766	-
	Rebudget: Non-Personal/Equipment (Regional Wastewater Facility Radio Systems Upgrade)	-	\$85,510	-	-	\$85,510	-	-	\$85,510
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$85,510	\$0	\$1,346,256	\$1,431,766	\$0	\$1,431,766	\$0
	San José-Santa Clara Treatment Plant Operating Fund (513) TOTAL	\$0	\$85,510	\$0	\$1,346,256	\$1,431,766	\$0	\$1,431,766	\$0
Sewage Treatment Plant Connection Fee Fund (539)									
Clean-Up and Rebudget Actions									
Environmental Services Department									
	Fund Balance Reconciliation	-	-	-	(\$520,138)	(\$520,138)	-	(\$520,138)	-
	Clean-Up and Rebudget Actions								
	TOTAL	\$0	\$0	\$0	(\$520,138)	(\$520,138)	\$0	(\$520,138)	\$0
	Sewage Treatment Plant Connection Fee Fund (539) TOTAL	\$0	\$0	\$0	(\$520,138)	(\$520,138)	\$0	(\$520,138)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Sewer Service And Use Charge Fund (541)									
Clean-Up and Rebudget Actions									
Environmental Services Department	Ending Fund Balance Adjustment: Rebudgets	-	-	-	\$81,000	\$81,000	-	-	\$81,000
	Fund Balance Reconciliation	-	-	-	\$2,463,162	\$2,463,162	-	\$2,463,162	-
Transportation Department	Rebudget: Non-Personal/Equipment (Sanitary Sewer Vehicle Replacements)	-	(\$81,000)	-	-	(\$81,000)	-	-	(\$81,000)
Clean-Up and Rebudget Actions TOTAL		\$0	(\$81,000)	\$0	\$2,544,162	\$2,463,162	\$0	\$2,463,162	\$0
Budget Adjustments									
Environmental Services Department	Ending Fund Balance Adjustment	-	-	-	(\$586,000)	(\$586,000)	-	-	(\$586,000)
Transportation Department	Non-Personal/Equipment (Sanitary Sewer Odor Control)	-	\$286,000	-	-	\$286,000	-	-	\$286,000
	Non-Personal/Equipment (Sanitary Sewer Vehicle Replacements)	-	\$300,000	-	-	\$300,000	-	-	\$300,000
Budget Adjustments Total		\$0	\$586,000	\$0	(\$586,000)	\$0	\$0	\$0	\$0
Sewer Service And Use Charge Fund (541) TOTAL		\$0	\$505,000	\$0	\$1,958,162	\$2,463,162	\$0	\$2,463,162	\$0
South Bay Water Recycling Operating Fund (570)									
Clean-Up and Rebudget Actions									
Environmental Services Department	Fund Balance Reconciliation	-	-	-	(\$832,699)	(\$832,699)	-	(\$832,699)	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	(\$832,699)	(\$832,699)	\$0	(\$832,699)	\$0
South Bay Water Recycling Operating Fund (570) TOTAL		\$0	\$0	\$0	(\$832,699)	(\$832,699)	\$0	(\$832,699)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
St. James Park Management District Fund (345)									
Clean-Up and Rebudget Actions									
Parks, Recreation and Neighborhood Services									
Department	Fund Balance Reconciliation	-	-	-	\$94,739	\$94,739	-	\$94,739	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$94,739	\$94,739	\$0	\$94,739	\$0
St. James Park Management District Fund (345) TOTAL		\$0	\$0	\$0	\$94,739	\$94,739	\$0	\$94,739	\$0
State Drug Forfeiture Fund (417)									
Clean-Up and Rebudget Actions									
Police Department	Fund Balance Reconciliation	-	-	-	\$100,383	\$100,383	-	\$100,383	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$100,383	\$100,383	\$0	\$100,383	\$0
State Drug Forfeiture Fund (417) TOTAL		\$0	\$0	\$0	\$100,383	\$100,383	\$0	\$100,383	\$0
Storm Sewer Operating Fund (446)									
Clean-Up and Rebudget Actions									
Environmental Services									
Department	Fund Balance Reconciliation	-	-	-	\$1,215,096	\$1,215,096	-	\$1,215,096	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$1,215,096	\$1,215,096	\$0	\$1,215,096	\$0
Storm Sewer Operating Fund (446) TOTAL		\$0	\$0	\$0	\$1,215,096	\$1,215,096	\$0	\$1,215,096	\$0
Supplemental Law Enforcement Services Fund (414)									
Clean-Up and Rebudget Actions									
Police Department	Fund Balance Reconciliation	-	-	-	(\$680,598)	(\$680,598)	-	(\$680,598)	-
	Rebudget: SLES Grant 2018-2020/Revenue from State of California	-	-	\$108,673	(\$50,481)	\$58,192	\$58,192	-	-
	Rebudget: SLES Grant 2019-2021/Revenue from State of California	-	-	\$32,727	\$30,269	\$62,996	\$62,996	-	-

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: SLES Grant 2020-2022/Revenue from State of California	-	-	\$49,873	\$447,989	\$497,862	\$497,862	-	-
Rebudget: SLES Grant 2021-2023/Revenue from State of California	-	-	(\$37,124)	\$89,959	\$52,835	\$52,835	-	-
Rebudget: SLES Grant 2022-2024/Revenue from State of California	-	-	\$28,260	\$321,800	\$350,060	\$350,060	-	-
Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$182,409	\$158,938	\$341,347	\$1,021,945	(\$680,598)	\$0
Supplemental Law Enforcement Services Fund (414) TOTAL	\$0	\$0	\$182,409	\$158,938	\$341,347	\$1,021,945	(\$680,598)	\$0

Transient Occupancy Tax Fund (461)

Clean-Up and Rebudget Actions

City Manager - Office of Economic Development and Cultural Affairs	Tech Adjust: Cultural Programs Administration (Retitled from Cultural Grants Administration)	-	-	-	-	-	-	-
	Fund Balance Reconciliation	-	-	-	\$3,075,106	\$3,075,106	-	\$3,075,106
	Fund Balance Reconciliation (Cultural Grants Reserve)	-	-	-	(\$2,625,000)	(\$2,625,000)	-	(\$2,625,000)
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	\$450,106	\$450,106	\$0	\$450,106

Budget Adjustments

City Manager - Office of Economic Development and Cultural Affairs	San José Convention and Visitors Bureau (TOT Revenue Reconciliation)	-	-	(\$25,293)	-	(\$25,293)	-	(\$25,293)
	Transfer to the Convention and Cultural Affairs Fund (TOT Revenue Reconciliation)	-	-	(\$50,587)	-	(\$50,587)	-	(\$50,587)
	Cultural Grants Reserve (TOT Revenue Reconciliation and Rebudget)	-	-	-	\$525,986	\$525,986	-	\$525,986
	Ending Fund Balance Adjustment	-	-	-	(\$450,106)	(\$450,106)	-	(\$450,106)
Budget Adjustments Total		\$0	\$0	(\$75,880)	\$75,880	\$0	\$0	\$0
Transient Occupancy Tax Fund (461) TOTAL		\$0	\$0	(\$75,880)	\$525,986	\$450,106	\$0	\$450,106

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Vehicle Maintenance And Operations Fund (552)									
Clean-Up and Rebudget Actions									
Public Works									
Department	Fund Balance Reconciliation	-	-	-	\$1,006,738	\$1,006,738	-	\$1,006,738	-
	Rebudget: Vehicle Replacement & Improvement (General Fleet)	-	-	\$258,900	(\$258,900)	-	-	-	-
	Rebudget: Police Vehicle Replacements/Transfers and Reimbursements	-	-	(\$39,000)	-	(\$39,000)	(\$39,000)	-	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$219,900	\$747,838	\$967,738	(\$39,000)	\$1,006,738	\$0
	Vehicle Maintenance And Operations Fund (552) TOTAL	\$0	\$0	\$219,900	\$747,838	\$967,738	(\$39,000)	\$1,006,738	\$0
Water Utility Fund (515)									
Clean-Up and Rebudget Actions									
Environmental Services									
Department	Fund Balance Reconciliation	-	-	-	\$1,309,604	\$1,309,604	-	\$1,309,604	-
	Clean-Up and Rebudget Actions TOTAL	\$0	\$0	\$0	\$1,309,604	\$1,309,604	\$0	\$1,309,604	\$0
	Water Utility Fund (515) TOTAL	\$0	\$0	\$0	\$1,309,604	\$1,309,604	\$0	\$1,309,604	\$0
Workforce Development Fund (290)									
Clean-Up and Rebudget Actions									
City Manager - Office of Economic Development and Cultural Affairs									
	Fund Balance Reconciliation	-	-	-	(\$889,471)	(\$889,471)	-	(\$889,471)	-
	Rebudget: Emerging Needs - Local Assistance Funds to work2future	-	-	\$5,000	(\$5,000)	-	-	-	-
	Rebudget: SJ Works (Amazon)	-	-	\$100,000	(\$100,000)	-	-	-	-
	Rebudget: SJ Works (Flagship)	-	-	\$5,000	(\$5,000)	-	-	-	-
	Rebudget: SJ Works (Wells Fargo)/Other Revenue	-	-	\$28,750	(\$21,250)	\$7,500	\$7,500	-	-

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: HVAC Technician & Green Technology Program/Other Revenue	-	-	\$100,000	-	\$100,000	\$100,000	-	-
Rebudget: SJ Works (Shipt)	-	-	\$21,250	(\$21,250)	-	-	-	-
Rebudget: BusinessOwnerSpace.com Network/Other Revenue	-	-	\$3,218	\$4,620	\$7,838	\$7,838	-	-
Rebudget: Youth Workers/Revenue from Federal Government	-	-	\$563,767	\$480,328	\$1,044,095	\$1,044,095	-	-
Rebudget: Administration/Revenue from Federal Government	-	-	\$161,889	\$23,425	\$185,314	\$185,314	-	-
Rebudget: Adult Workers/Revenue from Federal Government	-	-	\$220,595	\$307,060	\$527,655	\$527,655	-	-
Rebudget: Dislocated Workers/Revenue from Federal Government	-	-	\$1,775,290	\$149,445	\$1,924,735	\$1,924,735	-	-
Rebudget: Rapid Response Grant/Revenue from Federal Government	-	-	\$152,905	-	\$152,905	\$152,905	-	-
Rebudget: Sling Shot Regional Plan Implementation/Revenue from Federal Government	-	-	\$22,508	-	\$22,508	\$22,508	-	-
Rebudget: Dislocated Workers - COVID-19/Revenue from Federal Government	-	-	\$20,696	-	\$20,696	\$20,696	-	-
Rebudget: Workforce Accelerator Fund/Revenue from Federal Government	-	-	\$114,671	-	\$114,671	\$114,671	-	-
Rebudget: Veterans' Employment - Related Assistance Program/Revenue from Federal Government	-	-	\$42,772	-	\$42,772	\$42,772	-	-
Rebudget: Career National Dislocated Workers Grant/Revenue from Federal Government	-	-	\$13,754	\$55,688	\$69,442	\$69,442	-	-
Clean-Up and Rebudget Actions								
TOTAL	\$0	\$0	\$3,352,065	(\$21,405)	\$3,330,660	\$4,220,131	(\$889,471)	\$0

Special Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
City Manager -									
Office of Economic									
Development and									
Cultural Affairs									
	Administration/Revenue from Federal Government	-	-	\$152,796	-	\$152,796	\$152,796	-	-
	Adult Workers/Revenue from Federal Government	-	-	(\$937,097)	-	(\$937,097)	(\$937,097)	-	-
	Dislocated Workers/Revenue from Federal Government	-	-	(\$1,069,930)	-	(\$1,069,930)	(\$1,069,930)	-	-
	Dislocated Workers - COVID-19/Revenue from Federal Government	-	-	(\$20,696)	-	(\$20,696)	(\$20,696)	-	-
	Rapid Response Grant/Revenue from Federal Government	-	-	(\$230,633)	-	(\$230,633)	(\$230,633)	-	-
	Sling Shot 2.0 Regional Plan Implementation/Revenue from Federal Government	-	-	(\$22,508)	-	(\$22,508)	(\$22,508)	-	-
	Veterans' Employment - Related Assistance Program/Revenue from Federal Government	-	-	(\$42,772)	-	(\$42,772)	(\$42,772)	-	-
	Workforce Accelerator Fund/Revenue from Federal Government	-	-	(\$114,671)	-	(\$114,671)	(\$114,671)	-	-
	Youth Workers/Revenue from Federal Government	-	-	(\$1,269,211)	-	(\$1,269,211)	(\$1,269,211)	-	-
	Budget Adjustments Total	\$0	\$0	(\$3,554,722)	\$0	(\$3,554,722)	(\$3,554,722)	\$0	\$0
	Workforce Development Fund (290) TOTAL	\$0	\$0	(\$202,657)	(\$21,405)	(\$224,062)	\$665,409	(\$889,471)	\$0

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**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Airport Capital Improvement Fund (520)						
Ending Fund Balance Adjustment: Rebudgets		\$5,200,000	\$5,200,000			\$5,200,000
Fund Balance Reconciliation					\$(10,945,711)	\$10,945,711
Fund Balance Reconciliation		\$(10,945,711)	\$(10,945,711)			\$(10,945,711)
Rebudget: Revenue from the Federal Government (TSA/FAA Grants) (Airfield Configurations Updates)				\$5,200,000		\$(5,200,000)
Rebudget: Revenue from the Federal Government (TSA/FAA Grants) (Terminal Accessibility Upgrades)				\$25,000		\$(25,000)
Rebudget: Terminal Accessibility Upgrades	\$25,000		\$25,000			\$25,000
Clean-Up and Rebudget Actions TOTAL	\$25,000	\$(5,745,711)	\$(5,720,711)	\$5,225,000	\$(10,945,711)	
Airfield Configuration Updates	\$(15,995,000)		\$(15,995,000)			\$(15,995,000)
Revenue from Federal Government (TSA/FAA Grants) (Airfield Configuration Updates)				\$15,995,000		\$15,995,000
Revenue from Federal Government (TSA/FAA Grants) (Zero Emissions Buses)				\$2,467,000		\$2,467,000
Zero Emissions Buses	\$(2,467,000)		\$(2,467,000)			\$(2,467,000)
Budget Adjustments TOTAL	\$(18,462,000)		\$(18,462,000)	\$(18,462,000)		
Airport Capital Improvement Fund (520) TOTAL	\$(18,437,000)	\$(5,745,711)	\$(24,182,711)	\$(13,237,000)	\$(10,945,711)	
Airport Passenger Facility Charge Fund (529)						
Fund Balance Reconciliation					\$2,205,818	\$(2,205,818)
Fund Balance Reconciliation		\$2,205,818	\$2,205,818			\$2,205,818
Clean-Up and Rebudget Actions TOTAL		\$2,205,818	\$2,205,818		\$2,205,818	
Airport Passenger Facility Charge Fund (529) TOTAL		\$2,205,818	\$2,205,818		\$2,205,818	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Airport Renewal and Replacement Fund (527)						
Ending Fund Balance Adjustment: Rebudgets		\$1,822,000	\$1,822,000			\$1,822,000
Fund Balance Reconciliation				\$5,374,994		\$(5,374,994)
Fund Balance Reconciliation		\$5,374,994	\$5,374,994			\$5,374,994
Rebudget: Admin Lot Improvements	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Advanced Planning	\$126,000		\$126,000			\$126,000
Rebudget: Aircraft Waste Disposal and Fuel Cell Relocation	\$37,000		\$37,000			\$37,000
Rebudget: Airfield Configuration Updates	\$(2,276,000)		\$(2,276,000)			\$(2,276,000)
Rebudget: Airfield Improvements	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Airport Technology Services	\$(13,000)		\$(13,000)			\$(13,000)
Rebudget: Baggage System Upgrade	\$(36,000)		\$(36,000)			\$(36,000)
Rebudget: Bio Retention Cells	\$3,000		\$3,000			\$3,000
Rebudget: Escalator Replacement	\$4,000		\$4,000			\$4,000
Rebudget: Facilities Division Relocation	\$485,000		\$485,000			\$485,000
Rebudget: Jet Bridge Refurbishment						
Rebudget: Parking Accessibility Upgrades	\$(116,000)		\$(116,000)			\$(116,000)
Rebudget: Perimeter Fence Line Upgrades	\$50,000		\$50,000			\$50,000
Rebudget: Perimeter Security Projects	\$4,000		\$4,000			\$4,000
Rebudget: Public Art Funding	\$(4,000)		\$(4,000)			\$(4,000)
Rebudget: Seismic Shutoff Valves	\$5,000		\$5,000			\$5,000
Rebudget: Signage Design and Production	\$4,000		\$4,000			\$4,000
Rebudget: SJPD Magazine Room Relocation	\$(20,000)		\$(20,000)			\$(20,000)
Rebudget: Terminal Accessibility Upgrades	\$(68,000)		\$(68,000)			\$(68,000)

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Airport Renewal and Replacement Fund (527)						
Rebudget: Terminal Building Modifications						
Rebudget: Vehicle Replacement Program	\$ (3,000)		\$ (3,000)			\$ (3,000)
Clean-Up and Rebudget Actions TOTAL	\$ (1,822,000)	\$ 7,196,994	\$ 5,374,994		\$ 5,374,994	
Airfield Configuration Updates	\$ 5,260,000		\$ 5,260,000			\$ 5,260,000
Ending Fund Balance Adjustment		\$ (5,360,000)	\$ (5,360,000)			\$ (5,360,000)
Vehicle Replacement Program	\$ 100,000		\$ 100,000			\$ 100,000
Budget Adjustments TOTAL	\$ 5,360,000	\$ (5,360,000)				
Airport Renewal and Replacement Fund (527) TOTAL	\$ 3,538,000	\$ 1,836,994	\$ 5,374,994		\$ 5,374,994	
Airport Revenue Bond Improvement Fund (526)						
Ending Fund Balance Adjustment: Rebudget		\$ 230,000	\$ 230,000			\$ 230,000
Fund Balance Reconciliation				\$ (229,375)		\$ 229,375
Fund Balance Reconciliation		\$ (229,375)	\$ (229,375)			\$ (229,375)
Rebudget: Facilities Division Relocation	\$ (230,000)		\$ (230,000)			\$ (230,000)
Clean-Up and Rebudget Actions TOTAL	\$ (230,000)	\$ 625	\$ (229,375)		\$ (229,375)	
Airport Revenue Bond Improvement Fund (526) TOTAL	\$ (230,000)	\$ 625	\$ (229,375)		\$ (229,375)	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Branch Libraries Bond Projects Fund (472)						
Ending Fund Balance Adjustment: Rebudgets		\$(491,000)	\$(491,000)			\$(491,000)
Fund Balance Reconciliation					\$537,974	\$(537,974)
Fund Balance Reconciliation		\$537,974	\$537,974			\$537,974
Rebudget: Branch Efficiency Projects	\$338,000		\$338,000			\$338,000
Rebudget: Building Forward Library Infrastructure Grant - Local Match	\$114,000		\$114,000			\$114,000
Rebudget: Facilities Improvements - Library	\$39,000		\$39,000			\$39,000
Clean-Up and Rebudget Actions TOTAL	\$491,000	\$46,974	\$537,974		\$537,974	
Branch Libraries Bond Projects Fund (472) TOTAL	\$491,000	\$46,974	\$537,974		\$537,974	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Building and Structure Construction Tax Fund (429)						
Ending Fund Balance Adjustment: Rebudgets		\$(944,000)	\$(944,000)			\$(944,000)
Fund Balance Reconciliation				\$1,387,829		\$(1,387,829)
Fund Balance Reconciliation		\$1,387,829	\$1,387,829			\$1,387,829
Rebudget: 87/Capitol Expressway Improvements	\$57,000		\$57,000			\$57,000
Rebudget: Access and Mobility Plan	\$1,000		\$1,000			\$1,000
Rebudget: Accessible Pedestrian Signals Safety Improvements	\$82,000		\$82,000			\$82,000
Rebudget: Adaptive Arterial Management Retiming	\$42,000		\$42,000			\$42,000
Rebudget: Airport Connector	\$(74,000)		\$(74,000)			\$(74,000)
Rebudget: Automated Traffic Signal Performance Measures	\$12,000		\$12,000			\$12,000
Rebudget: Autumn Street Extension	\$23,000		\$23,000			\$23,000
Rebudget: Balbach Street Transportation Improvements	\$153,000		\$153,000			\$153,000
Rebudget: BART Policy & Planning Phase 2	\$20,000		\$20,000			\$20,000
Rebudget: Bascom Avenue Protected Bike Lanes	\$45,000		\$45,000			\$45,000
Rebudget: Better Bikeways San Fernando (ATP)	\$207,000		\$207,000			\$207,000
Rebudget: Branham and Snell Street Improvements	\$140,000		\$140,000			\$140,000
Rebudget: City-Wide Transit Improvements	\$52,000		\$52,000			\$52,000
Rebudget: Copper to Fiber Conversion	\$92,000		\$92,000			\$92,000
Rebudget: East Santa Clara Bridge at Coyote Creek	\$200,000		\$200,000			\$200,000
Rebudget: Guardrail Design and Rehabilitation	\$50,000		\$50,000			\$50,000
Rebudget: I-280 & Moorpark Signal Modification	\$1,000		\$1,000			\$1,000
Rebudget: ITS: New Civic Center Traffic Management Center	\$95,000		\$95,000			\$95,000

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Building and Structure Construction Tax Fund (429)						
Rebudget: ITS: Operations and Management	\$56,000		\$56,000			\$56,000
Rebudget: Julian Street and St. James Couplet Conversion	\$120,000		\$120,000			\$120,000
Rebudget: King Road Complete Streets	\$4,000		\$4,000			\$4,000
Rebudget: LED Streetlight Conversion	\$7,000		\$7,000			\$7,000
Rebudget: McKee Road Corridor Safety Improvements	\$(187,000)		\$(187,000)			\$(187,000)
Rebudget: Monterey Road Safety Improvements	\$297,000		\$297,000			\$297,000
Rebudget: Naglee Avenue and Dana Avenue Left Turn Lane	\$100,000		\$100,000			\$100,000
Rebudget: North San José Transportation Plan	\$1,612,000		\$1,612,000			\$1,612,000
Rebudget: Pedestrian and Roadway Improvements Program	\$45,000		\$45,000			\$45,000
Rebudget: Pedestrian Improvements	\$(250,000)		\$(250,000)			\$(250,000)
Rebudget: Quiet Zone	\$2,763,000		\$2,763,000			\$2,763,000
Rebudget: Revenue from Local Agencies (Transportation Fund for Clean Air - Downtown Signal Retiming)				\$117,000		\$(117,000)
Rebudget: Revenue from Local Agencies (VTA - Measure B Bicycle and Pedestrian Grant Program)				\$18,000		\$(18,000)
Rebudget: Revenue from State of California (AHSC - Balbach)				\$351,000		\$(351,000)
Rebudget: Revenue from State of California (ATP - Better Bikeways San Fernando)				\$688,000		\$(688,000)
Rebudget: Revenue from State of California (ATP - Willow-Keyes Complete Street Improvements)				\$9,000		\$(9,000)
Rebudget: Revenue from State of California (STPG - King Road)				\$261,000		\$(261,000)
Rebudget: Revenue from State of California (STPG - North San Jose MTIP)				\$250,000		\$(250,000)

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Building and Structure Construction Tax Fund (429)						
Rebudget: Revenue from the Federal Government (HBP - East Santa Clara Street Bridge at Coyote Creek)				\$99,000		\$(99,000)
Rebudget: Revenue from the Federal Government (HSIP - Monterey Road Safety Improvements)				\$68,000		\$(68,000)
Rebudget: Revenue from the Federal Government (OBAG2 - McKee Road Safety Corridor Improvements)				\$3,070,000		\$(3,070,000)
Rebudget: Revenue from the Federal Government (OBAG2 - Quick Strike)				\$268,000		\$(268,000)
Rebudget: Revenue from the Federal Government (OBAG2 - Quick Strike)				\$195,000		\$(195,000)
Rebudget: Revenue from the Federal Government (OBAG2 - Tully Road Ped Safety Improvements)				\$1,964,000		\$(1,964,000)
Rebudget: Revenue from the Federal Government (OBAG2 - W San Carlos Urban Villages)				\$753,000		\$(753,000)
Rebudget: Roosevelt Park Transportation Improvements	\$93,000		\$93,000			\$93,000
Rebudget: Route 101/Blossom Hill Road Interchange	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Route 101/Mabury Road Project Development	\$44,000		\$44,000			\$44,000
Rebudget: Route 87/Taylor Bike/Pedestrian Improvements	\$532,000		\$532,000			\$532,000
Rebudget: San Fernando Street Two-Way Class IV Bikeway	\$471,000		\$471,000			\$471,000
Rebudget: Santa Clara Street Transit and Streetscape Enhancement Study	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: St. John Bike/Pedestrian Bridge (Measure B)	\$240,000		\$240,000			\$240,000
Rebudget: Stevens Creek Corridor Vision Study	\$50,000		\$50,000			\$50,000
Rebudget: TFCA 2019-2020 Downtown Signal Retiming (TFCA)	\$298,000		\$298,000			\$298,000

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Building and Structure Construction Tax Fund (429)						
Rebudget: TFCA 2020-2021 Transit Signal Priority (TSP)	\$37,000		\$37,000			\$37,000
Rebudget: Traffic Flow Management and Signal Retiming	\$290,000		\$290,000			\$290,000
Rebudget: Traffic Signal Cabinet Locks	\$28,000		\$28,000			\$28,000
Rebudget: Traffic Signal Cabinet Upgrades (ATC)	\$7,000		\$7,000			\$7,000
Rebudget: Traffic Signal Modifications/Construction	\$437,000		\$437,000			\$437,000
Rebudget: Traffic Signal Rehabilitation	\$222,000		\$222,000			\$222,000
Rebudget: Tully Road Corridor Safety Improvements	\$11,000		\$11,000			\$11,000
Rebudget: Vision Zero: Data-Driven Safety Improvements	\$(23,000)		\$(23,000)			\$(23,000)
Rebudget: Vision Zero: East San José Safety Improvements for Senter Road	\$277,000		\$277,000			\$277,000
Rebudget: Vision Zero: Julian Street & McKee Complete Streets	\$40,000		\$40,000			\$40,000
Rebudget: Vision Zero: Quick Build Improvements	\$186,000		\$186,000			\$186,000
Rebudget: Vision Zero: Story/Jackson Safety Improvements	\$(10,000)		\$(10,000)			\$(10,000)
Rebudget: West San Carlos Corridor Safety Improvements (OBAG)	\$57,000		\$57,000			\$57,000
Rebudget: West San José Transportation Planning & Implementation	\$2,000		\$2,000			\$2,000
Rebudget: Willow-Keyes Complete Street Improvements	\$11,000		\$11,000			\$11,000
Clean-Up and Rebudget Actions TOTAL	\$9,055,000	\$443,829	\$9,498,829	\$8,111,000	\$1,387,829	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Building and Structure Construction Tax Fund (429)						
Autumn Parkway Reserve	\$(1,700,000)		\$(1,700,000)			\$(1,700,000)
Autumn Street Extension	\$81,000		\$81,000			\$81,000
Downtown San José Bikeways	\$1,700,000		\$1,700,000			\$1,700,000
Ending Fund Balance Adjustment		\$(246,636)	\$(246,636)			\$(246,636)
Traffic Signal Improvement Program	\$15,636		\$15,636			\$15,636
Vision Zero: Julian Street & McKee Complete Streets	\$150,000		\$150,000			\$150,000
Budget Adjustments TOTAL	\$246,636	\$(246,636)				
Building and Structure Construction Tax Fund (429) TOTAL	\$9,301,636	\$197,193	\$9,498,829	\$8,111,000	\$1,387,829	
Communications Construction and Conveyance Tax Fund (397)						
Fund Balance Reconciliation					\$476,746	\$(476,746)
Fund Balance Reconciliation		\$476,746	\$476,746			\$476,746
Clean-Up and Rebudget Actions TOTAL		\$476,746	\$476,746		\$476,746	
Communications Construction and Conveyance Tax Fund (397) TOTAL		\$476,746	\$476,746		\$476,746	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Ending Fund Balance Adjustment - Construction Excise Tax Fund: Rebudgets		\$6,055,693	\$6,055,693			\$6,055,693
Ending Fund Balance Adjustment - Evergreen Traffic Impact Fee Fund: Rebudgets		\$(504,000)	\$(504,000)			\$(504,000)
Ending Fund Balance Adjustment - I-280/Winchester Traffic Impact Fee Fund: Rebudgets		\$(69,000)	\$(69,000)			\$(69,000)
Ending Fund Balance Adjustment - North San José Traffic Impact Fee Fund: Rebudgets		\$(487,000)	\$(487,000)			\$(487,000)
Ending Fund Balance Adjustment - Route 101/Oakland/Mabury Traffic Impact Fee Fund		\$(212,000)	\$(212,000)			\$(212,000)
Ending Fund Balance Adjustment - State Gas Tax Pavement Maintenance Fund: Rebudgets		\$5,665,966	\$5,665,966			\$5,665,966
Ending Fund Balance Adjustment - VTA Measure B 2016 Fund: Rebudgets		\$12,120,386	\$12,120,386			\$12,120,386
Ending Fund Balance Adjustment - VTA Measure B VRF Fund: Rebudget		\$(3,119,016)	\$(3,119,016)			\$(3,119,016)
Fund Balance Reconciliation - Construction Excise Tax Fund					\$(9,479,132)	\$9,479,132
Fund Balance Reconciliation - Construction Excise Tax Fund		\$(9,479,132)	\$(9,479,132)			\$(9,479,132)
Fund Balance Reconciliation - Evergreen Traffic Impact Fee Fund					\$1,171,580	\$(1,171,580)
Fund Balance Reconciliation - Evergreen Traffic Impact Fee Fund		\$1,171,580	\$1,171,580			\$1,171,580
Fund Balance Reconciliation - I-280/Winchester Traffic Impact Fee Fund					\$79,539	\$(79,539)
Fund Balance Reconciliation - I-280/Winchester Traffic Impact Fee Fund		\$79,539	\$79,539			\$79,539
Fund Balance Reconciliation - North San José Traffic Impact Fee Fund					\$844,274	\$(844,274)
Fund Balance Reconciliation - North San José Traffic Impact Fee Fund		\$844,274	\$844,274			\$844,274

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Fund Balance Reconciliation - Route 101/Oakland/Mabury Traffic Impact Fee Fund					\$690,838	\$(690,838)
Fund Balance Reconciliation - Route 101/Oakland/Mabury Traffic Impact Fee Fund		\$690,838	\$690,838			\$690,838
Fund Balance Reconciliation - State Gas Tax Pavement Maintenance Fund					\$(330,536)	\$330,536
Fund Balance Reconciliation - State Gas Tax Pavement Maintenance Fund		\$(330,536)	\$(330,536)			\$(330,536)
Fund Balance Reconciliation - VTA Measure B 2016 Fund					\$(5,974,618)	\$5,974,618
Fund Balance Reconciliation - VTA Measure B 2016 Fund		\$(5,974,618)	\$(5,974,618)			\$(5,974,618)
Fund Balance Reconciliation - VTA Measure B VRF Fund					\$3,194,665	\$(3,194,665)
Fund Balance Reconciliation - VTA Measure B VRF Fund		\$3,194,665	\$3,194,665			\$3,194,665
Rebudget: ADA Sidewalk Accessibility Program	\$1,070,000		\$1,070,000			\$1,070,000
Rebudget: Airport Connector	\$985,000		\$985,000			\$985,000
Rebudget: AV Community Engagement Initiative	\$7,000		\$7,000			\$7,000
Rebudget: BART Design & Construction Phase 2	\$(97,000)		\$(97,000)			\$(97,000)
Rebudget: BART Policy & Planning Phase 2	\$3,000		\$3,000			\$3,000
Rebudget: Better Bikeways Program (City)	\$6,000		\$6,000			\$6,000
Rebudget: Better Bikeways Program (OBAG)	\$508,000		\$508,000			\$508,000
Rebudget: Bicycle and Pedestrian Facilities	\$596,000		\$596,000			\$596,000
Rebudget: Bicycle and Pedestrian Facilities (TFCA)	\$169,000		\$169,000			\$169,000
Rebudget: Copper to Fiber and Adaptive Timing	\$(54,000)		\$(54,000)			\$(54,000)
Rebudget: Downtown San José Bikeways	\$74,000		\$74,000			\$74,000

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Rebudget: Fiber Optics Permit Engineering	\$54,000		\$54,000			\$54,000
Rebudget: Habitat Conservation Plan-Nitrogen Deposition Fee	\$(2,000)		\$(2,000)			\$(2,000)
Rebudget: Hedding and Bayshore Improvements	\$62,000		\$62,000			\$62,000
Rebudget: Highway 680 and Jackson Traffic Signal	\$269,000		\$269,000			\$269,000
Rebudget: I-280/Winchester Boulevard Interchange	\$69,000		\$69,000			\$69,000
Rebudget: Infrastructure Management System Software Update	\$121,000		\$121,000			\$121,000
Rebudget: LED Traffic Signal Lamp Replacement	\$21,000		\$21,000			\$21,000
Rebudget: Mount Pleasant Schools Area Bike/Pedestrian Safety Implementation	\$66,000		\$66,000			\$66,000
Rebudget: Nieman Boulevard and Daniel Maloney Drive	\$244,000		\$244,000			\$244,000
Rebudget: North San José Improvements - Route 101/Zanker	\$11,000		\$11,000			\$11,000
Rebudget: North San José Light Rail Cabinets	\$205,000		\$205,000			\$205,000
Rebudget: North San José Transit Improvements	\$10,000		\$10,000			\$10,000
Rebudget: Pavement Maintenance - City	\$79,000		\$79,000			\$79,000
Rebudget: Pavement Maintenance - Complete Street Project Development	\$613,000		\$613,000			\$613,000
Rebudget: Pavement Maintenance - SB1 Road Repair & Accountability Act 2017	\$974,082		\$974,082			\$974,082
Rebudget: Pavement Maintenance - State Gas Tax	\$(640,048)		\$(640,048)			\$(640,048)
Rebudget: Pavement Maintenance - VTA 2016 Measure B	\$9,782,738		\$9,782,738			\$9,782,738
Rebudget: Pavement Maintenance - VTA Measure B VRF	\$3,119,016		\$3,119,016			\$3,119,016
Rebudget: Pedestrian Improvements	\$278,000		\$278,000			\$278,000

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Rebudget: Pedestrian Safety in Districts 6 and 9: Branham Lane Road Diet	\$18,000		\$18,000			\$18,000
Rebudget: Protected Intersections Improvements	\$47,000		\$47,000			\$47,000
Rebudget: Quick Build East San José En Movimiento	\$63,000		\$63,000			\$63,000
Rebudget: Quick Build Edenvale and Sylvandale Safety Improvements	\$26,000		\$26,000			\$26,000
Rebudget: Renascent Place at Senter Bike/Ped Improvements	\$24,000		\$24,000			\$24,000
Rebudget: Revenue from Local Agencies (Airport Connector - VTA)				\$255,000		\$(255,000)
Rebudget: Revenue from Local Agencies (BART Design and Construction Phase 2)				\$573,000		\$(573,000)
Rebudget: Revenue from Local Agencies (Knight Foundation - Autonomous Vehicles				\$100,000		\$(100,000)
Rebudget: Revenue from Local Agencies (Pavement Cost Share)				\$6,000,000		\$(6,000,000)
Rebudget: Revenue from Local Agencies (VTA: Measure B 2016 - Highway Bridge Program)				\$3,000,000		\$(3,000,000)
Rebudget: Revenue from Local Agencies (VTA: Measure B)				\$21,903,124		\$(21,903,124)
Rebudget: Revenue from Local Agencies (VTA Measure B 2016 - Walk N Roll)				\$420,000		\$(420,000)
Rebudget: Revenue from State of California (AHSC - Renascent Place at Senter Bike/Ped Improvements)				\$98,000		\$(98,000)
Rebudget: Revenue from State of California (AHSC - St. James Station at Basset Bike/Ped Improvements)				\$1,170,000		\$(1,170,000)
Rebudget: Revenue from State of California (ATP - Quick Build Edenvale and Sylvandale Bike and Ped)				\$66,000		\$(66,000)
Rebudget: Revenue from State of California (STPG - Walk Safe)				\$83,000		\$(83,000)
Rebudget: Revenue from State of California (TDA - Ped Bicycle Facility)				\$3,667,000		\$(3,667,000)

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Rebudget: Revenue from the Federal Government (Mt. Pleasant Area School Grant)				\$51,000		\$(51,000)
Rebudget: Revenue from the Federal Government (OBAG - Bikeways Program)				\$510,000		\$(510,000)
Rebudget: Revenue from the Federal Government (OBAG2 - Pavement Maintenance)				\$2,380,000		\$(2,380,000)
Rebudget: Revenue from the Federal Government (OTS - Vision Zero: Multimodal Traffic Safety Education)				\$(16,307)		\$16,307
Rebudget: Revenue from the State of California (STPG - San José Decision Support System)				\$100,000		\$(100,000)
Rebudget: Route/101/Oakland/Mabury Traffic Impact Fees Reserve	\$212,000		\$212,000			\$212,000
Rebudget: Route 101/Trimble/De La Cruz Interchange Improvements	\$261,000		\$261,000			\$261,000
Rebudget: Safety - Complete Street Project Development	\$100,000		\$100,000			\$100,000
Rebudget: Safety - Signs and Markings	\$249,000		\$249,000			\$249,000
Rebudget: Safety - Traffic Engineering	\$50,000		\$50,000			\$50,000
Rebudget: San Felipe and Yerba Buena Intersection Improvements	\$45,000		\$45,000			\$45,000
Rebudget: San José Bike Parking	\$151,000		\$151,000			\$151,000
Rebudget: Signal and Lighting Vehicles Replacement	\$221,000		\$221,000			\$221,000
Rebudget: St. James Station at Basset Bike/Ped Improvements	\$253,000		\$253,000			\$253,000
Rebudget: Street Name Sign Replacement	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Street Tree Inventory and Management Plan	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Streetlight Engineering	\$(19,000)		\$(19,000)			\$(19,000)

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Rebudget: TFCA 2021-2022 San José Bikeway Upgrades	\$75,000		\$75,000			\$75,000
Rebudget: Traffic Safety Data Collection	\$580,000		\$580,000			\$580,000
Rebudget: Transportation System Technology	\$24,000		\$24,000			\$24,000
Rebudget: Vision Zero: City-wide Pedestrian Safety and Traffic Calming	\$(20,000)		\$(20,000)			\$(20,000)
Rebudget: Vision Zero: Multimodal Traffic Safety Education	\$20,000		\$20,000			\$20,000
Rebudget: Walk n' Roll - VTA Measure B 2016	\$153,000		\$153,000			\$153,000
Rebudget: Walk Safe San José	\$2,000		\$2,000			\$2,000
Rebudget: Revenue from Local Agencies (TFCA - Bike Facilities and Bikeway Improvements)				\$225,000		\$(225,000)
Tech Adjust: Ending Fund Balance Adjustment - I-280/Winchester Traffic Impact Fee Fund (I-280/Winchester Boulevard Interchange) (Reconciliation)		\$(31,539)	\$(31,539)			\$(31,539)
Tech Adjust: Ending Fund Balance Adjustment - North San José Traffic Impact Fee Fund (North San José Traffic Impact Fees Reserve) (Reconciliation)		\$(2,247,274)	\$(2,247,274)			\$(2,247,274)
Tech Adjust: Ending Fund Balance Adjustment - Route 101/Oakland/Mabury Traffic Impact Fee Fund (Route 101/Oakland/Mabury Traffic Impact Fees Reserve) (Reconciliation)		\$(1,208,838)	\$(1,208,838)			\$(1,208,838)
Tech Adjust: Ending Fund Balance Adjustment - State Gas Tax Pavement Maintenance Fund (Pavement Maintenance - SB1 Road Repair and Accountability Act 2017 (Prior Year Encumbrance Liquidation))		\$(4,464,630)	\$(4,464,630)			\$(4,464,630)

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Tech Adjust: Ending Fund Balance Adjustment - State Gas Tax Pavement Maintenance Fund (Pavement Maintenance - SB1 Road Repair and Accountability Act 2017) (Reconciliation)		\$(1,148,545)	\$(1,148,545)			\$(1,148,545)
Tech Adjust: Ending Fund Balance Adjustment - State Gas Tax Pavement Maintenance Fund (Pavement Maintenance - State Gas Tax) (Reconciliation)		\$(85,255)	\$(85,255)			\$(85,255)
Tech Adjust: Ending Fund Balance Adjustment - VTA Measure B 2016 Fund (Pavement Maintenance - VTA 2016 Measure B (Prior Year Encumbrance Liquidation))		\$(6,145,768)	\$(6,145,768)			\$(6,145,768)
Tech Adjust: Ending Fund Balance Adjustment - VTA Measure B 2016 Fund (Pavement Maintenance - VTA 2016 Measure B) (Reconciliation)		\$(159)	\$(159)			\$(159)
Tech Adjust: Ending Fund Balance Adjustment - VTA Measure B VRF Fund (Pavement Maintenance - VTA Measure B VRF) (Reconciliation)		\$(539,143)	\$(539,143)			\$(539,143)
Tech Adjust: Ending Fund Balance Adjustment (Evergreen Traffic Impact Fees Reserve) (Reconciliation)		\$(777,580)	\$(777,580)			\$(777,580)
Tech Adjust: Evergreen Traffic Impact Fees Reserve (Reconciliation)	\$777,580		\$777,580			\$777,580
Tech Adjust: I-280/Winchester Boulevard Interchange (Reconciliation)	\$31,539		\$31,539			\$31,539
Tech Adjust: North San José Traffic Impact Fees Reserve (Reconciliation)	\$2,247,274		\$2,247,274			\$2,247,274
Tech Adjust: Pavement Maintenance - SB1 Road Repair & Accountability Act 2017 (Prior Year Encumbrance Liquidation)	\$4,464,630		\$4,464,630			\$4,464,630
Tech Adjust: Pavement Maintenance - SB1 Road Repair & Accountability Act 2017 (Reconciliation)	\$1,148,545		\$1,148,545			\$1,148,545

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Tech Adjust: Pavement Maintenance - State Gas Tax (Reconciliation)	\$85,255		\$85,255			\$85,255
Tech Adjust: Pavement Maintenance - VTA 2016 Measure B (Prior Year Encumbrance Liquidation)	\$6,145,768		\$6,145,768			\$6,145,768
Tech Adjust: Pavement Maintenance - VTA Measure B VRF (Reconciliation)	\$539,143		\$539,143			\$539,143
Tech Adjust: Pavement Maintenance VTA 2016 Measure B (Reconciliation)	\$159		\$159			\$159
Tech Adjust: Route 101/Oakland/Mabury Traffic Impact Fees Reserve (Reconciliation)	\$1,208,838		\$1,208,838			\$1,208,838
Clean-Up and Rebudget Actions TOTAL	\$37,782,519	\$(7,001,092)	\$30,781,427	\$40,584,817	\$(9,803,390)	\$0
Alameda Undercrossing Diamond Plate Lids	\$32,230		\$32,230			\$32,230
Bicycle and Pedestrian Facilities	\$169,062		\$169,062			\$169,062
Bicycle and Pedestrian Facilities (TFCA)	\$(137,000)		\$(137,000)			\$(137,000)
Ending Fund Balance Adjustment - Construction Excise Tax Fund		\$(81,292)	\$(81,292)			\$(81,292)
Pavement Maintenance - SB1 Road Repair & Accountability Act 2017	\$(496,399)		\$(496,399)			\$(496,399)
Pavement Maintenance - State Gas Tax	\$(655,483)		\$(655,483)			\$(655,483)
Pavement Maintenance - VTA 2016 Measure B	\$(3,725,552)		\$(3,725,552)			\$(3,725,552)
Quick Build East San José En Movimiento	\$267,000		\$267,000			\$267,000
Revenue from Local Agencies (Pavement Maintenance - Measure B (VTA))				\$(2,925,552)		\$2,925,552
Revenue from State of California (Pavement Maintenance - Road Repair & Accountability Act 2017)				\$(496,399)		\$496,399
Revenue from State of California (Pavement Maintenance - State Gas Tax)				\$(655,483)		\$655,483

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Revenue from the Federal Government (OBAG2 - Quick Strike)				\$147,000		\$(147,000)
Revenue from the Federal Government (OTS - Vision Zero: Multimodal Traffic Safety Education)				\$175,000		\$(175,000)
Safety Program Reserve	\$(1,000,000)		\$(1,000,000)			\$(1,000,000)
Transportation Grants Reserve	\$(103,000)		\$(103,000)			\$(103,000)
Vision Zero: Data Analytics Tool	\$1,000,000		\$1,000,000			\$1,000,000
Vision Zero: Multimodal Traffic Safety Education	\$175,000		\$175,000			\$175,000
VTA Measure B 2016 Complete Street Project Improvements (SRTS)	\$800,000		\$800,000			\$800,000
Budget Adjustments TOTAL	\$(3,674,142)	\$(81,292)	\$(3,755,434)	\$(3,755,434)		\$0
Construction Excise Tax Fund (465) TOTAL	\$34,108,377	\$(7,082,384)	\$27,025,993	\$36,829,383	\$(9,803,390)	\$0

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Contingent Lien District Fund (634)						
Fund Balance Reconciliation					\$88,292	\$(88,292)
Fund Balance Reconciliation		\$88,292	\$88,292			\$88,292
Fund Balance Reconciliation - Evergreen Benefit Assessment District Fund					\$83,605	\$(83,605)
Fund Balance Reconciliation - Evergreen Benefit Assessment District Reserve	\$83,605		\$83,605			\$83,605
Fund Balance Reconciliation - Evergreen Creek Assessment District Fund					\$64,555	\$(64,555)
Fund Balance Reconciliation - Evergreen Creek District Reserve	\$64,555		\$64,555			\$64,555
Fund Balance Reconciliation - Shea Homes Advance Assessment District Fund					\$9,628	\$(9,628)
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Fund					\$9,776	\$(9,776)
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Reserve	\$9,776		\$9,776			\$9,776
Fund Balance Reconciliation - Silver Creek Assessment District Fund					\$7,663	\$(7,663)
Fund Balance Reconciliation - Silver Creek Development District 1A Reserve	\$9,628		\$9,628			\$9,628
Fund Balance Reconciliation - Silver Creek Development District 1B Reserve	\$7,663		\$7,663			\$7,663
Clean-Up and Rebudget Actions TOTAL	\$175,227	\$88,292	\$263,519		\$263,519	
Contingent Lien District Fund (634) TOTAL	\$175,227	\$88,292	\$263,519		\$263,519	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Convention and Cultural Affairs Capital Fund (560)						
Ending Fund Balance Adjustment: Rebudgets		\$164,000	\$164,000			\$164,000
Fund Balance Reconciliation					\$142,890	\$(142,890)
Fund Balance Reconciliation		\$142,890	\$142,890			\$142,890
Rebudget: Family-Friendly Cities	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Rehabilitation / Repair - Electrical	\$(38,000)		\$(38,000)			\$(38,000)
Rebudget: Rehabilitation / Repair - Mechanical	\$(42,000)		\$(42,000)			\$(42,000)
Rebudget: Rehabilitation / Repair - Structures	\$(47,000)		\$(47,000)			\$(47,000)
Rebudget: Rehabilitation / Repair - Unanticipated	\$(36,000)		\$(36,000)			\$(36,000)
Clean-Up and Rebudget Actions TOTAL	\$(164,000)	\$306,890	\$142,890		\$142,890	
Convention and Cultural Affairs Capital Fund (560) TOTAL	\$(164,000)	\$306,890	\$142,890		\$142,890	
Convention Center Facilities District Capital Fund (798)						
Fund Balance Reconciliation					\$14,411	\$(14,411)
Fund Balance Reconciliation		\$14,411	\$14,411			\$14,411
Clean-Up and Rebudget Actions TOTAL		\$14,411	\$14,411		\$14,411	
Convention Center Facilities District Capital Fund (798) TOTAL		\$14,411	\$14,411		\$14,411	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 1 Construction and Conveyance Tax Fund (377)						
Ending Fund Balance Adjustment: Rebudgets		\$(3,000)	\$(3,000)			\$(3,000)
Fund Balance Reconciliation				\$138,197		\$(138,197)
Fund Balance Reconciliation		\$138,197	\$138,197			\$138,197
Rebudget: Council District 1 Public Art	\$2,000		\$2,000			\$2,000
Rebudget: Cypress Community Center Roof Replacement	\$(90,000)		\$(90,000)			\$(90,000)
Rebudget: Hamann Park Tot Lot Renovation	\$91,000		\$91,000			\$91,000
Rebudget: Murdock Park Improvements	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Murdock Park Lighting Improvements	\$7,000		\$7,000			\$7,000
Rebudget: Starbird Park Playground Replacements	\$(4,000)		\$(4,000)			\$(4,000)
Clean-Up and Rebudget Actions TOTAL	\$3,000	\$135,197	\$138,197		\$138,197	
Council District 1 Construction and Conveyance Tax Fund (377) TOTAL	\$3,000	\$135,197	\$138,197		\$138,197	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 10 Construction and Conveyance Tax Fund (389)						
Ending Fund Balance Adjustment: Rebudgets		\$(78,000)	\$(78,000)			\$(78,000)
Fund Balance Reconciliation				\$100,738		\$(100,738)
Fund Balance Reconciliation		\$100,738	\$100,738			\$100,738
Rebudget: All Inclusive Playground - Almaden Lake Park	\$27,000		\$27,000			\$27,000
Rebudget: Almaden Winery Fundraising Feasibility Study	\$50,000		\$50,000			\$50,000
Rebudget: Council District 10 Public Art	\$1,000		\$1,000			\$1,000
Clean-Up and Rebudget Actions TOTAL	\$78,000	\$22,738	\$100,738		\$100,738	
Council District 10 Construction and Conveyance Tax Fund (389) TOTAL	\$78,000	\$22,738	\$100,738		\$100,738	
Council District 2 Construction and Conveyance Tax Fund (378)						
Ending Fund Balance Adjustment: Rebudgets		\$11,000	\$11,000			\$11,000
Fund Balance Reconciliation				\$141,525		\$(141,525)
Fund Balance Reconciliation		\$141,525	\$141,525			\$141,525
Rebudget: Danna Rock Park Youth Lot	\$(11,000)		\$(11,000)			\$(11,000)
Clean-Up and Rebudget Actions TOTAL	\$(11,000)	\$152,525	\$141,525		\$141,525	
Council District 2 Construction and Conveyance Tax Fund (378) TOTAL	\$(11,000)	\$152,525	\$141,525		\$141,525	

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 3 Construction and Conveyance Tax Fund (380)						
Ending Fund Balance Adjustment: Rebudgets		\$(126,000)	\$(126,000)			\$(126,000)
Fund Balance Reconciliation				\$222,403		\$(222,403)
Fund Balance Reconciliation		\$222,403	\$222,403			\$222,403
Rebudget: Council District 3 Public Art	\$(11,000)		\$(11,000)			\$(11,000)
Rebudget: Northside Community Center HVAC Replacement	\$1,000		\$1,000			\$1,000
Rebudget: Other Revenue (Urban Confluence Silicon Valley)				\$139,000		\$(139,000)
Rebudget: TRAIL: Coyote Creek (Brokaw Road to Union Pacific Railroad Corridor) Design	\$204,000		\$204,000			\$204,000
Rebudget: TRAIL: Coyote Creek Lighting	\$16,000		\$16,000			\$16,000
Rebudget: TRAIL: Five Wounds Development (Story Road to Whitton Avenue)	\$6,000		\$6,000			\$6,000
Rebudget: Urban Confluence Silicon Valley	\$49,000		\$49,000			\$49,000
Clean-Up and Rebudget Actions TOTAL	\$265,000	\$96,403	\$361,403	\$139,000	\$222,403	
Council District 3 Construction and Conveyance Tax Fund (380) TOTAL	\$265,000	\$96,403	\$361,403	\$139,000	\$222,403	
Council District 4 Construction and Conveyance Tax Fund (381)						
Ending Fund Balance Adjustment: Rebudgets		\$(1,250,000)	\$(1,250,000)			\$(1,250,000)
Fund Balance Reconciliation				\$1,452,199		\$(1,452,199)
Fund Balance Reconciliation		\$1,452,199	\$1,452,199			\$1,452,199
Rebudget: Agnews Property Development	\$1,250,000		\$1,250,000			\$1,250,000
Clean-Up and Rebudget Actions TOTAL	\$1,250,000	\$202,199	\$1,452,199		\$1,452,199	
Council District 4 Construction and Conveyance Tax Fund (381) TOTAL	\$1,250,000	\$202,199	\$1,452,199		\$1,452,199	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 5 Construction and Conveyance Tax Fund (382)						
Ending Fund Balance Adjustment: Rebudgets		\$(298,000)	\$(298,000)			\$(298,000)
Fund Balance Reconciliation				\$481,341		\$(481,341)
Fund Balance Reconciliation		\$481,341	\$481,341			\$481,341
Rebudget: All Inclusive Playground - Emma Prusch	\$(18,000)		\$(18,000)			\$(18,000)
Rebudget: Alum Rock Youth Center Renovation	\$20,000		\$20,000			\$20,000
Rebudget: Council District 5 Public Art	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: Emma Prusch Park Security Improvements	\$5,000		\$5,000			\$5,000
Rebudget: Esther Medina Dog Park Improvements	\$300,000		\$300,000			\$300,000
Rebudget: Nancy Lane Tot Lot	\$(8,000)		\$(8,000)			\$(8,000)
Rebudget: Police Athletic League Stadium Turf Replacement	\$2,000		\$2,000			\$2,000
Rebudget: Overfelt Master Plan	\$4,000		\$4,000			\$4,000
Clean-Up and Rebudget Actions TOTAL	\$298,000	\$183,341	\$481,341		\$481,341	
Council District 5 Construction and Conveyance Tax Fund (382) TOTAL	\$298,000	\$183,341	\$481,341		\$481,341	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 6 Construction and Conveyance Tax Fund (384)						
Ending Fund Balance Adjustment: Rebudgets		\$(161,000)	\$(161,000)			\$(161,000)
Fund Balance Reconciliation				\$243,144		\$(243,144)
Fund Balance Reconciliation		\$243,144	\$243,144			\$243,144
Rebudget: Bascom Community Center Marquee	\$5,000		\$5,000			\$5,000
Rebudget: Council District 6 Public Art	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Del Monte Park Expansion Phase III Land Acquisition	\$57,000		\$57,000			\$57,000
Rebudget: Hanchett Park Development	\$22,000		\$22,000			\$22,000
Rebudget: TRAIL: Guadalupe River (St. John to Julian) Development	\$16,000		\$16,000			\$16,000
Rebudget: TRAIL: Guadalupe River (Union Pacific Railroad Under-Crossing)	\$62,000		\$62,000			\$62,000
Clean-Up and Rebudget Actions TOTAL	\$161,000	\$82,144	\$243,144		\$243,144	
Alameda Undercrossing Diamond Plate Lids	\$(32,230)		\$(32,230)			\$(32,230)
Ending Fund Balance Adjustment		\$32,230	\$32,230			\$32,230
Budget Adjustments TOTAL	\$(32,230)	\$32,230				
Council District 6 Construction and Conveyance Tax Fund (384) TOTAL	\$128,770	\$114,374	\$243,144		\$243,144	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 7 Construction and Conveyance Tax Fund (385)						
Ending Fund Balance Adjustment: Rebudgets		\$44,000	\$44,000			\$44,000
Fund Balance Reconciliation					\$117,345	\$(117,345)
Fund Balance Reconciliation		\$117,345	\$117,345			\$117,345
Rebudget: Alma Community Center Improvements	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: Midfield Avenue and Havana Drive Pocket Park	\$365,000		\$365,000			\$365,000
Rebudget: Revenue from Local Agencies (Open Space Authority: Midfield Avenue and Havana Drive Park)				\$69,000		\$(69,000)
Rebudget: Revenue from State of California (Caltrans: Midfield Avenue and Havana Drive Park)				\$500,000		\$(500,000)
Rebudget: Thank You, America Monument	\$7,000		\$7,000			\$7,000
Rebudget: Vietnamese-American Community Center Renovation	\$20,000		\$20,000			\$20,000
Rebudget: Alma Park Master Plan and Design	\$5,000		\$5,000			\$5,000
Rebudget: Seven Trees Community Center and Branch Library Roof Replacement	\$135,000		\$135,000			\$135,000
Clean-Up and Rebudget Actions TOTAL	\$525,000	\$161,345	\$686,345	\$569,000	\$117,345	
Alma Avenue and Sanborn Avenue Park Reserve	\$(25,000)		\$(25,000)			\$(25,000)
Alma Park Master Plan and Design	\$25,000		\$25,000			\$25,000
Budget Adjustments TOTAL						
Council District 7 Construction and Conveyance Tax Fund (385) TOTAL	\$525,000	\$161,345	\$686,345	\$569,000	\$117,345	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 8 Construction and Conveyance Tax Fund (386)						
Ending Fund Balance Adjustment: Rebudgets		\$(63,000)	\$(63,000)			\$(63,000)
Fund Balance Reconciliation					\$406,593	\$(406,593)
Fund Balance Reconciliation		\$406,593	\$406,593			\$406,593
Rebudget: Boggini Park Tot Lot	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Council District 8 Public Art	\$1,000		\$1,000			\$1,000
Rebudget: Meadowfair Park Master Plan	\$5,000		\$5,000			\$5,000
Rebudget: Meadowfair Park Tot Lot	\$15,000		\$15,000			\$15,000
Rebudget: Welch Park and Neighborhood Center Restroom Upgrades	\$43,000		\$43,000			\$43,000
Clean-Up and Rebudget Actions TOTAL	\$63,000	\$343,593	\$406,593		\$406,593	
Council District 8 Construction and Conveyance Tax Fund (386) TOTAL	\$63,000	\$343,593	\$406,593		\$406,593	
Council District 9 Construction and Conveyance Tax Fund (388)						
Ending Fund Balance Adjustment: Rebudgets		\$669,000	\$669,000			\$669,000
Fund Balance Reconciliation					\$82,704	\$(82,704)
Fund Balance Reconciliation		\$82,704	\$82,704			\$82,704
Rebudget: Butcher Dog Park Renovation	\$(680,000)		\$(680,000)			\$(680,000)
Rebudget: Camden Community Center Projectors and Smart TVs	\$3,000		\$3,000			\$3,000
Rebudget: Doerr Park Tot Lot Replacement	\$8,000		\$8,000			\$8,000
Clean-Up and Rebudget Actions TOTAL	\$(669,000)	\$751,704	\$82,704		\$82,704	
Council District 9 Construction and Conveyance Tax Fund (388) TOTAL	\$(669,000)	\$751,704	\$82,704		\$82,704	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Emma Prusch Fund (131)						
Ending Fund Balance Adjustment: Rebudgets		\$(174,000)	\$(174,000)			\$(174,000)
Fund Balance Reconciliation					\$186,896	\$(186,896)
Fund Balance Reconciliation		\$186,896	\$186,896			\$186,896
Rebudget: All Inclusive Playground - Emma Prusch	\$191,000		\$191,000			\$191,000
Rebudget: Emma Prusch Multi-Cultural Center Improvements	\$(17,000)		\$(17,000)			\$(17,000)
Clean-Up and Rebudget Actions TOTAL	\$174,000	\$12,896	\$186,896		\$186,896	
Emma Prusch Fund (131) TOTAL	\$174,000	\$12,896	\$186,896		\$186,896	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Fire Construction and Conveyance Tax Fund (392)						
Ending Fund Balance Adjustment: Rebudgets		\$(451,000)	\$(451,000)			\$(451,000)
Fund Balance Reconciliation				\$716,315		\$(716,315)
Fund Balance Reconciliation		\$716,315	\$716,315			\$716,315
Rebudget: Emergency Response Maps	\$6,000		\$6,000			\$6,000
Rebudget: Facilities Improvements	\$72,000		\$72,000			\$72,000
Rebudget: Fire Apparatus Replacement	\$(754,000)		\$(754,000)			\$(754,000)
Rebudget: Fire Data System	\$12,000		\$12,000			\$12,000
Rebudget: Fire Facilities Remediation	\$20,000		\$20,000			\$20,000
Rebudget: Fire IT Hardware Replacement	\$5,000		\$5,000			\$5,000
Rebudget: Fire Station 37 FF&E	\$1,033,000		\$1,033,000			\$1,033,000
Rebudget: Mobile Data Computer Replacement	\$8,000		\$8,000			\$8,000
Rebudget: Fire Training Center FF&E	\$9,000		\$9,000			\$9,000
Rebudget: Tools and Equipment	\$40,000		\$40,000			\$40,000
Clean-Up and Rebudget Actions TOTAL	\$451,000	\$265,315	\$716,315		\$716,315	
Fire Apparatus Replacement	\$1,033,000		\$1,033,000			\$1,033,000
Fire Station 37 FF&E	\$(1,033,000)		\$(1,033,000)			\$(1,033,000)
Budget Adjustments TOTAL						
Fire Construction and Conveyance Tax Fund (392) TOTAL	\$451,000	\$265,315	\$716,315		\$716,315	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
General Purpose Parking Capital Fund (559)						
Ending Fund Balance Adjustment: Rebudgets		\$(7,780,000)	\$(7,780,000)			\$(7,780,000)
Fund Balance Reconciliation				\$11,643,107		\$(11,643,107)
Fund Balance Reconciliation		\$11,643,107	\$11,643,107			\$11,643,107
Rebudget: Garage Elevator Upgrades	\$205,000		\$205,000			\$205,000
Rebudget: Garage Facade Improvements	\$4,068,000		\$4,068,000			\$4,068,000
Rebudget: Greater Downtown Parking Inventory	\$2,365,000		\$2,365,000			\$2,365,000
Rebudget: Public Art Allocation	\$(48,000)		\$(48,000)			\$(48,000)
Rebudget: Security Improvements	\$1,190,000		\$1,190,000			\$1,190,000
Clean-Up and Rebudget Actions TOTAL	\$7,780,000	\$3,863,107	\$11,643,107		\$11,643,107	
Ending Fund Balance Adjustment		\$(800,000)	\$(800,000)			\$(800,000)
Green Technologies and Innovation	\$800,000		\$800,000			\$800,000
Budget Adjustments TOTAL	\$800,000	\$(800,000)				
General Purpose Parking Capital Fund (559) TOTAL	\$8,580,000	\$3,063,107	\$11,643,107		\$11,643,107	
Ice Centre Expansion Bond Fund (490)						
Fund Balance Reconciliation					\$(198)	\$198
Fund Balance Reconciliation		\$(198)	\$(198)			\$(198)
Clean-Up and Rebudget Actions TOTAL		\$(198)	\$(198)		\$(198)	
Ice Centre Expansion Bond Fund (490) TOTAL		\$(198)	\$(198)		\$(198)	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Lake Cunningham Fund (462)						
Ending Fund Balance Adjustment: Rebudgets		\$15,000	\$15,000			\$15,000
Fund Balance Reconciliation					\$253,027	\$(253,027)
Fund Balance Reconciliation		\$253,027	\$253,027			\$253,027
Rebudget: Lake Cunningham Shoreline Study	\$(15,000)		\$(15,000)			\$(15,000)
Clean-Up and Rebudget Actions TOTAL	\$(15,000)	\$268,027	\$253,027		\$253,027	
Lake Cunningham Fund (462) TOTAL	\$(15,000)	\$268,027	\$253,027		\$253,027	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Library Construction and Conveyance Tax Fund (393)						
Ending Fund Balance Adjustment: Rebudgets		\$(233,000)	\$(233,000)			\$(233,000)
Fund Balance Reconciliation				\$4,452,659		\$(4,452,659)
Fund Balance Reconciliation		\$4,452,659	\$4,452,659			\$4,452,659
Rebudget: Acquisition of Materials	\$(215,000)		\$(215,000)			\$(215,000)
Rebudget: Automation Projects and System Maintenance	\$(24,000)		\$(24,000)			\$(24,000)
Rebudget: Branch Efficiency Projects	\$29,000		\$29,000			\$29,000
Rebudget: Building Forward Library Infrastructure Grant	\$314,000		\$314,000			\$314,000
Rebudget: Building Forward Library Infrastructure Grant - Local Match	\$200,000		\$200,000			\$200,000
Rebudget: Facilities Improvements - Library	\$(47,000)		\$(47,000)			\$(47,000)
Rebudget: Family-Friendly City Facilities (Library)	\$6,000		\$6,000			\$6,000
Rebudget: Mobile Maker[Space]ship Vehicle	\$(30,000)		\$(30,000)			\$(30,000)
Clean-Up and Rebudget Actions TOTAL	\$233,000	\$4,219,659	\$4,452,659		\$4,452,659	
Ending Fund Balance Adjustment		\$(4,186,000)	\$(4,186,000)			\$(4,186,000)
Revenue from State of California (Building Forward Library Infrastructure Grant)				\$(4,186,000)		\$4,186,000
Budget Adjustments TOTAL		\$(4,186,000)	\$(4,186,000)	\$(4,186,000)		
Library Construction and Conveyance Tax Fund (393) TOTAL	\$233,000	\$33,659	\$266,659	\$(4,186,000)	\$4,452,659	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Library Parcel Tax Capital Fund (483)						
Ending Fund Balance Adjustment: Rebudgets		\$(167,000)	\$(167,000)			\$(167,000)
Fund Balance Reconciliation				\$233,278		\$(233,278)
Fund Balance Reconciliation		\$233,278	\$233,278			\$233,278
Rebudget: Acquisition of Materials	\$(218,000)		\$(218,000)			\$(218,000)
Rebudget: Automation Projects and System Maintenance	\$385,000		\$385,000			\$385,000
Clean-Up and Rebudget Actions TOTAL	\$167,000	\$66,278	\$233,278		\$233,278	
Library Parcel Tax Capital Fund (483) TOTAL	\$167,000	\$66,278	\$233,278		\$233,278	
Major Collectors and Arterials Fund (421)						
Fund Balance Reconciliation				\$61,895		\$(61,895)
Fund Balance Reconciliation		\$61,895	\$61,895			\$61,895
Clean-Up and Rebudget Actions TOTAL		\$61,895	\$61,895		\$61,895	
Major Collectors and Arterials Fund (421) TOTAL		\$61,895	\$61,895		\$61,895	
Major Facilities Fund (502)						
Ending Fund Balance Adjustment: Rebudgets		\$(5,000)	\$(5,000)			\$(5,000)
Fund Balance Reconciliation				\$60,130		\$(60,130)
Fund Balance Reconciliation		\$60,130	\$60,130			\$60,130
Rebudget: Public Art Funding	\$5,000		\$5,000			\$5,000
Clean-Up and Rebudget Actions TOTAL	\$5,000	\$55,130	\$60,130		\$60,130	
Major Facilities Fund (502) TOTAL	\$5,000	\$55,130	\$60,130		\$60,130	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Measure T: Public Safety and Infrastructure Bond Fund (498)						
Ending Fund Balance Adjustment: Rebudgets (Municipal Improvements)		\$227,000	\$227,000			\$227,000
Ending Fund Balance Adjustment: Rebudgets (Parks and Community Facilities Development)		\$39,000	\$39,000			\$39,000
Ending Fund Balance Adjustment: Rebudgets (Public Safety)		\$2,384,000	\$2,384,000			\$2,384,000
Ending Fund Balance Adjustment: Rebudgets (Storm Sewer System)		\$(1,197,000)	\$(1,197,000)			\$(1,197,000)
Ending Fund Balance Adjustment: Rebudgets (Traffic)		\$(20,349,000)	\$(20,349,000)			\$(20,349,000)
Fund Balance Reconciliation (Municipal Improvements)					\$(91,803)	\$91,803
Fund Balance Reconciliation (Municipal Improvements)		\$(91,803)	\$(91,803)			\$(91,803)
Fund Balance Reconciliation (Parks and Community Facilities Development)					\$87,307	\$(87,307)
Fund Balance Reconciliation (Parks and Community Facilities Development)		\$87,307	\$87,307			\$87,307
Fund Balance Reconciliation (Public Safety)				\$1,273,009		\$(1,273,009)
Fund Balance Reconciliation (Public Safety)		\$1,273,009	\$1,273,009			\$1,273,009
Fund Balance Reconciliation (Storm Sewer System)				\$984,630		\$(984,630)
Fund Balance Reconciliation (Storm Sewer System)		\$984,630	\$984,630			\$984,630
Fund Balance Reconciliation (Traffic)				\$20,957,619		\$(20,957,619)
Fund Balance Reconciliation (Traffic)		\$20,957,619	\$20,957,619			\$20,957,619
Rebudget: Measure T - Emergency Operations Center Relocation	\$282,000		\$282,000			\$282,000
Rebudget: Measure T - Fire Station 23 Relocation (Land Acquisition)	\$15,000		\$15,000			\$15,000
Rebudget: Measure T - Fire Station 8 Relocation	\$112,000		\$112,000			\$112,000
Rebudget: Measure T - New Fire Station 32	\$(3,052,000)		\$(3,052,000)			\$(3,052,000)

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Measure T: Public Safety and Infrastructure Bond Fund (498)						
Rebudget: Measure T - New Fire Station 36	\$89,000		\$89,000			\$89,000
Rebudget: Measure T - Police 911 Call Center Upgrades	\$66,000		\$66,000			\$66,000
Rebudget: Measure T - Police Air Support Hangar	\$(15,000)		\$(15,000)			\$(15,000)
Rebudget: Measure T - Police Training Center	\$143,000		\$143,000			\$143,000
Rebudget: Measure T - Public Art Public Safety	\$(33,000)		\$(33,000)			\$(33,000)
Rebudget: Measure T - Public Art Storm Sewer	\$(2,000)		\$(2,000)			\$(2,000)
Rebudget: Measure T - Police Administration Building Upgrades	\$9,000		\$9,000			\$9,000
Rebudget: Measure T - Bridges	\$3,433,000		\$3,433,000			\$3,433,000
Rebudget: Measure T - City Facilities LED Lighting	\$(227,000)		\$(227,000)			\$(227,000)
Rebudget: Measure T - Clean Water Projects	\$(187,000)		\$(187,000)			\$(187,000)
Rebudget: Measure T - Community Centers / Emergency Centers	\$(39,000)		\$(39,000)			\$(39,000)
Rebudget: Measure T - LED Streetlight Conversion	\$4,116,000		\$4,116,000			\$4,116,000
Rebudget: Measure T - Storm Drain Improvements at Charcot Ave	\$1,386,000		\$1,386,000			\$1,386,000
Rebudget: Pavement Maintenance - Measure T Bond	\$12,800,000		\$12,800,000			\$12,800,000
Clean-Up and Rebudget Actions TOTAL	\$18,896,000	\$4,314,762	\$23,210,762		\$23,210,762	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Measure T: Public Safety and Infrastructure Bond Fund (498)						
Ending Fund Balance Adjustment: Interest Earnings (Municipal Improvements)		\$(516,313)	\$(516,313)			\$(516,313)
Ending Fund Balance Adjustment: Interest Earnings (Parks and Community Facilities Development)		\$(68,956)	\$(68,956)			\$(68,956)
Ending Fund Balance Adjustment: Interest Earnings (Public Safety)		\$(1,046,048)	\$(1,046,048)			\$(1,046,048)
Ending Fund Balance Adjustment: Interest Earnings (Storm Sewer Systems)		\$(692,639)	\$(692,639)			\$(692,639)
Ending Fund Balance Adjustment: Interest Earnings (Traffic)		\$(2,160,156)	\$(2,160,156)			\$(2,160,156)
Measure T - Program Reserve (Public Safety)	\$4,484,112		\$4,484,112			\$4,484,112
Budget Adjustments TOTAL	\$4,484,112	\$(4,484,112)				
Measure T: Public Safety and Infrastructure Bond Fund (498) TOTAL	\$23,380,112	\$(169,350)	\$23,210,762		\$23,210,762	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Park Yards Construction and Conveyance Tax Fund (398)						
Ending Fund Balance Adjustment: Rebudgets		\$(156,000)	\$(156,000)			\$(156,000)
Fund Balance Reconciliation					\$138,333	\$(138,333)
Fund Balance Reconciliation		\$138,333	\$138,333			\$138,333
Rebudget: Almaden Park Yard Improvements	\$21,000		\$21,000			\$21,000
Rebudget: Alum Rock Park Yard Improvements	\$23,000		\$23,000			\$23,000
Rebudget: Emma Prusch Park Security Improvements	\$9,000		\$9,000			\$9,000
Rebudget: Emma Prusch Park Yard Improvements	\$27,000		\$27,000			\$27,000
Rebudget: Kelley Park Yard Improvements	\$23,000		\$23,000			\$23,000
Rebudget: Lake Cunningham Park Yard Improvements	\$31,000		\$31,000			\$31,000
Rebudget: Overfelt Park Yard Improvements	\$22,000		\$22,000			\$22,000
Clean-Up and Rebudget Actions TOTAL	\$156,000	\$(17,667)	\$138,333		\$138,333	
Park Yards Construction and Conveyance Tax Fund (398) TOTAL	\$156,000	\$(17,667)	\$138,333		\$138,333	
Parks and Recreation Bond Projects Fund (471)						
Ending Fund Balance Adjustment: Rebudgets		\$61,000	\$61,000			\$61,000
Fund Balance Reconciliation					\$(28,025)	\$28,025
Fund Balance Reconciliation		\$(28,025)	\$(28,025)			\$(28,025)
Rebudget: Columbus Park Soccer Facility	\$(61,000)		\$(61,000)			\$(61,000)
Clean-Up and Rebudget Actions TOTAL	\$(61,000)	\$32,975	\$(28,025)		\$(28,025)	
Parks and Recreation Bond Projects Fund (471) TOTAL	\$(61,000)	\$32,975	\$(28,025)		\$(28,025)	

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Recommended Budget Adjustments and Clean-Up/Rebudget Actions
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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Parks Central Construction and Conveyance Tax Fund (390)						
Ending Fund Balance Adjustment: Rebudgets		\$(2,114,000)	\$(2,114,000)			\$(2,114,000)
Fund Balance Reconciliation				\$3,656,371		\$(3,656,371)
Fund Balance Reconciliation		\$3,656,371	\$3,656,371			\$3,656,371
Rebudget: 2017 Flood - Commercial Paper Debt Service and Letter of Credit Fees	\$124,000		\$124,000			\$124,000
Rebudget: GIS Mapping Support	\$34,000		\$34,000			\$34,000
Rebudget: Major Park Equipment	\$1,487,000		\$1,487,000			\$1,487,000
Rebudget: Parkland Dedication and Park Impact Ordinance Fees Nexus Study	\$53,000		\$53,000			\$53,000
Rebudget: Parks and Community Facilities Development Office	\$300,000		\$300,000			\$300,000
Rebudget: Pedestrian Bridge Assessment	\$37,000		\$37,000			\$37,000
Rebudget: Preliminary Engineering - Parks	\$79,000		\$79,000			\$79,000
Clean-Up and Rebudget Actions TOTAL	\$2,114,000	\$1,542,371	\$3,656,371		\$3,656,371	
Parks Central Construction and Conveyance Tax Fund (390) TOTAL	\$2,114,000	\$1,542,371	\$3,656,371		\$3,656,371	

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Parks City-Wide Construction and Conveyance Tax Fund (391)						
Ending Fund Balance Adjustment: Rebudgets		\$(897,000)	\$(897,000)			\$(897,000)
Fund Balance Reconciliation				\$2,437,656		\$(2,437,656)
Fund Balance Reconciliation		\$2,437,656	\$2,437,656			\$2,437,656
Rebudget: 2017 Flood - Alum Rock Park Mineral Springs Bridge Embankment	\$275,000		\$275,000			\$275,000
Rebudget: 2017 Flood - Alum Rock Park Service Road Repairs and Reconstruction	\$249,000		\$249,000			\$249,000
Rebudget: 2017 Flood - Alum Rock Park Trestle Repair	\$7,000		\$7,000			\$7,000
Rebudget: 2017 Flood - Alum Rock Park Visitors Center	\$2,000		\$2,000			\$2,000
Rebudget: 2017 Flood - Family Camp Playground Shade Structure and Retaining Wall	\$11,000		\$11,000			\$11,000
Rebudget: 2017 Flood - Japanese Friendship Garden Koi Pond and Pump House	\$2,028,000		\$2,028,000			\$2,028,000
Rebudget: 2017 Flood - Kelley Park Outfall	\$12,000		\$12,000			\$12,000
Rebudget: Arcadia Softball Facility Fixtures, Furnishings and Equipment	\$70,000		\$70,000			\$70,000
Rebudget: Family Camp Infrastructure Renovations	\$20,000		\$20,000			\$20,000
Rebudget: Financing Proceeds (2017 Flood Commercial Paper Proceeds)				\$2,283,000		\$(2,283,000)
Rebudget: Guadalupe Gardens Prototype Park	\$27,000		\$27,000			\$27,000
Rebudget: Guadalupe River Park Visitor Center Structural Evaluation	\$2,000		\$2,000			\$2,000
Rebudget: Happy Hollow Park and Zoo Exhibit Improvements	\$62,000		\$62,000			\$62,000
Rebudget: Happy Hollow Park and Zoo Lower Zoo Electrical Improvements	\$33,000		\$33,000			\$33,000
Rebudget: Happy Hollow Park and Zoo Public Announcement System	\$191,000		\$191,000			\$191,000

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Parks City-Wide Construction and Conveyance Tax Fund (391)						
Rebudget: Overfelt Master Plan	\$8,000		\$8,000			\$8,000
Rebudget: Revenue from Local Agencies (Santa Clara County: All-Inclusive Playground - Emma Prusch Reimbursement)				\$(192,000)		\$192,000
Rebudget: TRAIL: Coyote Creek (Story Road to Tully Road)	\$(9,000)		\$(9,000)			\$(9,000)
Clean-Up and Rebudget Actions TOTAL	\$2,988,000	\$1,540,656	\$4,528,656	\$2,091,000	\$2,437,656	
Ending Fund Balance Adjustment		\$(306,000)	\$(306,000)			\$(306,000)
Family Camp Infrastructure Renovations	\$28,000		\$28,000			\$28,000
Family-Friendly City Facilities	\$203,000		\$203,000			\$203,000
Happy Hollow Park and Zoo Fire Panel Replacement	\$250,000		\$250,000			\$250,000
Happy Hollow Park and Zoo Public Announcement System	\$(250,000)		\$(250,000)			\$(250,000)
Strategic Capital Replacement and Maintenance Needs	\$75,000		\$75,000			\$75,000
Budget Adjustments TOTAL	\$306,000	\$(306,000)				
Parks City-Wide Construction and Conveyance Tax Fund (391) TOTAL	\$3,294,000	\$1,234,656	\$4,528,656	\$2,091,000	\$2,437,656	
Residential Construction Tax Contribution Fund (420)						
Fund Balance Reconciliation					\$373,808	\$(373,808)
Fund Balance Reconciliation		\$373,808	\$373,808			\$373,808
Clean-Up and Rebudget Actions TOTAL		\$373,808	\$373,808		\$373,808	
Residential Construction Tax Contribution Fund (420) TOTAL		\$373,808	\$373,808		\$373,808	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
San José-Santa Clara Treatment Plant Capital Fund (512)						
Ending Fund Balance Adjustment: Rebudgets		\$77,821,000	\$77,821,000			\$77,821,000
Fund Balance Reconciliation					\$(84,380,731)	\$84,380,731
Fund Balance Reconciliation		\$(84,380,731)	\$(84,380,731)			\$(84,380,731)
Rebudget: Additional Digester Upgrades	\$32,000		\$32,000			\$32,000
Rebudget: Aeration Tanks and Blower Rehabilitation	\$65,000		\$65,000			\$65,000
Rebudget: Debt Service Repayment for Plant Capital Improvement Projects	\$2,000,000		\$2,000,000			\$2,000,000
Rebudget: Digested Sludge Dewatering Facility	\$470,000		\$470,000			\$470,000
Rebudget: Facility Wide Water Systems Improvements	\$(30,000)		\$(30,000)			\$(30,000)
Rebudget: Filter Rehabilitation	\$31,000		\$31,000			\$31,000
Rebudget: Final Effluent Pump Station & Stormwater Channel Improvements	\$212,000		\$212,000			\$212,000
Rebudget: Financing Proceeds (Wastewater Revenue Notes)				\$85,000,000		\$(85,000,000)
Rebudget: Flood Protection	\$(109,000)		\$(109,000)			\$(109,000)
Rebudget: Headworks Improvements	\$75,000		\$75,000			\$75,000
Rebudget: New Headworks	\$161,000		\$161,000			\$161,000
Rebudget: Nitrification Clarifier Rehabilitation	\$58,000		\$58,000			\$58,000
Rebudget: Outfall Channel and Instrumentation Improvements	\$7,000		\$7,000			\$7,000
Rebudget: Owner Controlled Insurance Program	\$957,000		\$957,000			\$957,000
Rebudget: Plant Infrastructure Improvements	\$507,000		\$507,000			\$507,000
Rebudget: Plantwide Security Systems Upgrade	\$20,000		\$20,000			\$20,000
Rebudget: Preliminary Engineering - Water Pollution Control	\$2,500,000		\$2,500,000			\$2,500,000

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
San José-Santa Clara Treatment Plant Capital Fund (512)						
Rebudget: Program Management - Water Pollution Control	\$108,000		\$108,000			\$108,000
Rebudget: Storm Drain System Improvements	\$3,000		\$3,000			\$3,000
Rebudget: Support Building Improvements	\$65,000		\$65,000			\$65,000
Rebudget: Various Infrastructure Decommissioning	\$5,000		\$5,000			\$5,000
Rebudget: Yard Piping and Road Improvements	\$42,000		\$42,000			\$42,000
Clean-Up and Rebudget Actions TOTAL	\$7,179,000	\$(6,559,731)	\$619,269	\$85,000,000	\$(84,380,731)	
San José-Santa Clara Treatment Plant Capital Fund (512) TOTAL	\$7,179,000	\$(6,559,731)	\$619,269	\$85,000,000	\$(84,380,731)	
Sanitary Sewer Connection Fee Fund (540)						
Ending Fund Balance Adjustment: Rebudgets		\$(3,000)	\$(3,000)			\$(3,000)
Fund Balance Reconciliation				\$237,586		\$(237,586)
Fund Balance Reconciliation		\$237,586	\$237,586			\$237,586
Rebudget: Public Art Allocation	\$3,000		\$3,000			\$3,000
Clean-Up and Rebudget Actions TOTAL	\$3,000	\$234,586	\$237,586		\$237,586	
Sanitary Sewer Connection Fee Fund (540) TOTAL	\$3,000	\$234,586	\$237,586		\$237,586	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Service Yards Construction and Conveyance Tax Fund (395)						
Ending Fund Balance Adjustment: Rebudgets		\$113,000	\$113,000			\$113,000
Fund Balance Reconciliation					\$122,935	\$(122,935)
Fund Balance Reconciliation		\$122,935	\$122,935			\$122,935
Rebudget: Central Service Yard - Bldg. F Expansion	\$(11,000)		\$(11,000)			\$(11,000)
Rebudget: Central Service Yard - Pavement Replacement	\$(29,000)		\$(29,000)			\$(29,000)
Rebudget: Central Service Yard - Service Yards Generators Replacement	\$59,000		\$59,000			\$59,000
Rebudget: Central Service Yard - Water Main Replacement	\$(5,000)		\$(5,000)			\$(5,000)
Rebudget: Central Service Yards - Fueling Island	\$(11,000)		\$(11,000)			\$(11,000)
Rebudget: Roof Replacement, Painting, and Supplemental Needs	\$(104,000)		\$(104,000)			\$(104,000)
Rebudget: Service Yards - HVAC Repair and Replacement	\$(10,000)		\$(10,000)			\$(10,000)
Rebudget: Service Yards - LED Lighting Updates	\$(2,000)		\$(2,000)			\$(2,000)
Clean-Up and Rebudget Actions TOTAL	\$(113,000)	\$235,935	\$122,935		\$122,935	
Service Yards Construction and Conveyance Tax Fund (395) TOTAL	\$(113,000)	\$235,935	\$122,935		\$122,935	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Sewer Service and Use Charge Capital Improvement Fund (545)						
Ending Fund Balance Adjustment: Rebudgets		\$(6,559,754)	\$(6,559,754)			\$(6,559,754)
Fund Balance Reconciliation				\$22,271,746		\$(22,271,746)
Fund Balance Reconciliation		\$22,271,746	\$22,271,746			\$22,271,746
Rebudget: Blossom Hill Road and Leigh Avenue Sanitary Sewer Improvement	\$113,000		\$113,000			\$113,000
Rebudget: Coleman Road Sanitary Sewer Improvement - Phase III	\$73,000		\$73,000			\$73,000
Rebudget: Fontaine Rd Sanitary Sewer Improvement	\$89,000		\$89,000			\$89,000
Rebudget: McLaughlin Ave-24th Street Sanitary Sewer Improvement	\$37,000		\$37,000			\$37,000
Rebudget: Public Art Allocation	\$(40,246)		\$(40,246)			\$(40,246)
Rebudget: Pump Station SCADA Upgrade - Sanitary Sewer	\$300,000		\$300,000			\$300,000
Rebudget: Rehabilitation of Sanitary Sewer Pump Stations	\$(5,000)		\$(5,000)			\$(5,000)
Rebudget: Sanitary Sewer Interceptor Management Program	\$5,993,000		\$5,993,000			\$5,993,000
Clean-Up and Rebudget Actions TOTAL	\$6,559,754	\$15,711,992	\$22,271,746		\$22,271,746	
Ending Fund Balance Adjustment		\$(5,000,000)	\$(5,000,000)			\$(5,000,000)
Infrastructure - Sanitary Sewer Condition Assessment	\$5,000,000		\$5,000,000			\$5,000,000
Budget Adjustments TOTAL	\$5,000,000	\$(5,000,000)				
Sewer Service and Use Charge Capital Improvement Fund (545) TOTAL	\$11,559,754	\$10,711,992	\$22,271,746		\$22,271,746	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
South Bay Water Recycling Capital Fund (571)						
Fund Balance Reconciliation					\$58,703	\$(58,703)
Fund Balance Reconciliation		\$58,703	\$58,703			\$58,703
Clean-Up and Rebudget Actions TOTAL		\$58,703	\$58,703		\$58,703	
South Bay Water Recycling Capital Fund (571) TOTAL		\$58,703	\$58,703		\$58,703	
Storm Drainage Fee Fund (413)						
Fund Balance Reconciliation					\$85,148	\$(85,148)
Fund Balance Reconciliation		\$85,148	\$85,148			\$85,148
Clean-Up and Rebudget Actions TOTAL		\$85,148	\$85,148		\$85,148	
Storm Drainage Fee Fund (413) TOTAL		\$85,148	\$85,148		\$85,148	

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Storm Sewer Capital Fund (469)						
Ending Fund Balance Adjustment: Rebudgets		\$(7,246,231)	\$(7,246,231)			\$(7,246,231)
Fund Balance Reconciliation				\$12,864,161		\$(12,864,161)
Fund Balance Reconciliation		\$12,864,161	\$12,864,161			\$12,864,161
Rebudget: Citywide Outfall Improvements	\$3,000,000		\$3,000,000			\$3,000,000
Rebudget: Green Infrastructure Improvements	\$2,000,000		\$2,000,000			\$2,000,000
Rebudget: Large Trash Capture Devices	\$2,000,000		\$2,000,000			\$2,000,000
Rebudget: Public Art Allocation	\$2,231		\$2,231			\$2,231
Rebudget: Storm Sewer Master Plan - City-wide	\$244,000		\$244,000			\$244,000
Clean-Up and Rebudget Actions TOTAL	\$7,246,231	\$5,617,930	\$12,864,161		\$12,864,161	
Storm Sewer Capital Fund (469) TOTAL	\$7,246,231	\$5,617,930	\$12,864,161		\$12,864,161	

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Subdivision Park Trust Fund (375)						
Ending Fund Balance Adjustment: Rebudgets		\$(2,832,000)	\$(2,832,000)			\$(2,832,000)
Fund Balance Reconciliation				\$8,866,757		\$(8,866,757)
Fund Balance Reconciliation		\$8,866,757	\$8,866,757			\$8,866,757
Fund Balance Reconciliation - Future PDO/PIO Projects Reserve	\$6,034,757		\$6,034,757			\$6,034,757
Fund Balance Reconciliation - Future PDO/PIO Projects Reserve		\$(6,034,757)	\$(6,034,757)			\$(6,034,757)
Rebudget: Agnews Property Development	\$857,000		\$857,000			\$857,000
Rebudget: All Inclusive Playground - Almaden Lake Park	\$58,000		\$58,000			\$58,000
Rebudget: All Inclusive Playground - Rotary Playgarden Phase II	\$139,000		\$139,000			\$139,000
Rebudget: Alma Community Center Improvements	\$11,000		\$11,000			\$11,000
Rebudget: Alum Rock Youth Center HVAC Replacement	\$79,000		\$79,000			\$79,000
Rebudget: Backesto Park Tot and Youth Lots	\$1,000		\$1,000			\$1,000
Rebudget: Berryessa Community Center Improvements	\$6,000		\$6,000			\$6,000
Rebudget: Bruzzone Way Park Development	\$258,000		\$258,000			\$258,000
Rebudget: Butcher Park Basketball Court Renovation	\$(89,000)		\$(89,000)			\$(89,000)
Rebudget: Calabazas Bike Park Renovation	\$(9,000)		\$(9,000)			\$(9,000)
Rebudget: Camden Community Center Improvements	\$242,000		\$242,000			\$242,000
Rebudget: Evergreen Community Center Improvements	\$(5,000)		\$(5,000)			\$(5,000)
Rebudget: Evergreen Community Center Marquee	\$(2,000)		\$(2,000)			\$(2,000)
Rebudget: Groesbeck Hill Park Basketball Court Renovation	\$(55,000)		\$(55,000)			\$(55,000)

Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Subdivision Park Trust Fund (375)						
Rebudget: Guadalupe Gardens Prototype Park	\$12,000		\$12,000			\$12,000
Rebudget: Hamann Park Tot Lot Renovation	\$19,000		\$19,000			\$19,000
Rebudget: Hanchett Park Master Plan	\$9,000		\$9,000			\$9,000
Rebudget: Japanese Friendship Garden Taiko Bridge Replacement	\$25,000		\$25,000			\$25,000
Rebudget: Japantown Park Design Review and Inspection	\$127,000		\$127,000			\$127,000
Rebudget: Japantown Park Public Art	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Kirk Community Center Roof Replacement	\$64,000		\$64,000			\$64,000
Rebudget: Mercado Park Development	\$192,000		\$192,000			\$192,000
Rebudget: Municipal Rose Garden Improvements	\$(4,000)		\$(4,000)			\$(4,000)
Rebudget: Murdock Park Lighting Improvements	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Newbury Park Development	\$(54,000)		\$(54,000)			\$(54,000)
Rebudget: North San Pedro Area Parks Master Plans	\$(15,000)		\$(15,000)			\$(15,000)
Rebudget: Northside Community Center Electrical Improvements	\$55,000		\$55,000			\$55,000
Rebudget: Parque de Pobladores Phase II Feasibility Study	\$17,000		\$17,000			\$17,000
Rebudget: Payne Avenue Park Phase I	\$(66,000)		\$(66,000)			\$(66,000)
Rebudget: Pellier Park	\$(36,000)		\$(36,000)			\$(36,000)
Rebudget: Penitencia Creek Dog Park	\$40,000		\$40,000			\$40,000
Rebudget: Plaza de Cesar Chavez Interim Improvements	\$268,000		\$268,000			\$268,000
Rebudget: Pueblo de Dios Master Plan and Design	\$126,000		\$126,000			\$126,000
Rebudget: Southside Community Center Renovation	\$(11,000)		\$(11,000)			\$(11,000)

**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Subdivision Park Trust Fund (375)						
Rebudget: Spartan Keyes Neighborhood Park Master Plan	\$31,000		\$31,000			\$31,000
Rebudget: St. James Park Design	\$79,000		\$79,000			\$79,000
Rebudget: Starbird Youth Center Improvements	\$36,000		\$36,000			\$36,000
Rebudget: TRAIL: Coyote Creek (Mabury Road to Empire Street)	\$(15,000)		\$(15,000)			\$(15,000)
Rebudget: TRAIL: Five Wounds Trestle Study	\$(22,000)		\$(22,000)			\$(22,000)
Rebudget: TRAIL: Guadalupe River Park and Blossom River Drive Connection	\$113,000		\$113,000			\$113,000
Rebudget: TRAIL: Los Gatos Reach 5 B/C Under-crossing Design	\$(20,000)		\$(20,000)			\$(20,000)
Rebudget: TRAIL: Penitencia Creek Trail Realignment	\$8,000		\$8,000			\$8,000
Rebudget: TRAIL: SF Bay Trail Reach 9	\$83,000		\$83,000			\$83,000
Rebudget: TRAIL: Thompson Creek (Quimby Road to Aborn Court)	\$264,000		\$264,000			\$264,000
Rebudget: Tully Road Ballfields Dog Park Improvements	\$(48,000)		\$(48,000)			\$(48,000)
Rebudget: Willow Glen Community Center Improvements	\$61,000		\$61,000			\$61,000
Rebudget: Winchester Orchard Park Design Review and Inspection	\$5,000		\$5,000			\$5,000
Clean-Up and Rebudget Actions TOTAL	\$8,866,757		\$8,866,757			\$8,866,757
Future PDO / PIO Projects Reserve	\$(900,000)		\$(900,000)			\$(900,000)
River Glen Park Restroom Restoration	\$50,000		\$50,000			\$50,000
TRAIL: Coyote Creek Design (Roosevelt Park to Watson Park)	\$850,000		\$850,000			\$850,000
Budget Adjustments TOTAL						
Subdivision Park Trust Fund (375) TOTAL	\$8,866,757		\$8,866,757			\$8,866,757

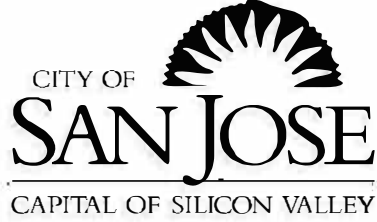
**Capital Funds
Recommended Budget Adjustments and Clean-Up/Rebudget Actions
2022-2023 Annual Report**

Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Underground Utility Fund (416)						
Fund Balance Reconciliation				\$3,033,929		\$(3,033,929)
Fund Balance Reconciliation		\$3,033,929	\$3,033,929			\$3,033,929
Clean-Up and Rebudget Actions TOTAL		\$3,033,929	\$3,033,929		\$3,033,929	
Ending Fund Balance Adjustment		\$(26,000)	\$(26,000)			\$(26,000)
PG&E/Private Electrical Service Panel Conversion Reimbursement	\$26,000		\$26,000			\$26,000
Budget Adjustments TOTAL	\$26,000	\$(26,000)				
Underground Utility Fund (416) TOTAL	\$26,000	\$3,007,929	\$3,033,929		\$3,033,929	

Water Utility Capital Fund (500)

Ending Fund Balance Adjustment: Rebudgets		\$(653,050)	\$(653,050)			\$(653,050)
Fund Balance Reconciliation				\$807,830		\$(807,830)
Fund Balance Reconciliation		\$807,830	\$807,830			\$807,830
Rebudget: Annual Water Main Replacement	\$(2,000)		\$(2,000)			\$(2,000)
Rebudget: Backup Generator Replacement	\$199,000		\$199,000			\$199,000
Rebudget: GIS Support	\$80,000		\$80,000			\$80,000
Rebudget: Infrastructure Improvements	\$5,000		\$5,000			\$5,000
Rebudget: Public Art Funding	\$1,050		\$1,050			\$1,050
Rebudget: Safety and Security Improvements	\$386,000		\$386,000			\$386,000
Rebudget: Water Resources Administration & Operations Facility	\$(16,000)		\$(16,000)			\$(16,000)
Tech Adjust: North San José Reliability Well Construction (Retitle from North San José Reliability Well #6 Construction)						
Clean-Up and Rebudget Actions TOTAL	\$653,050	\$154,780	\$807,830		\$807,830	
Water Utility Capital Fund (500) TOTAL	\$653,050	\$154,780	\$807,830		\$807,830	

V. FINANCIAL STATEMENTS



FINANCE DEPARTMENT Monthly Financial Report

Financial Results for the Month Ended June 30, 2023
Fiscal Year 2022-2023
(UNAUDITED)

Finance Department, City of San José
Monthly Financial Report
Financial Results for the Month Ended June 30, 2023
Fiscal Year 2022-2023
(UNAUDITED)

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Finance Department, City of San José
Monthly Financial Report
Financial Results for the Month Ended June 30, 2023
Fiscal Year 2022-2023
(UNAUDITED)

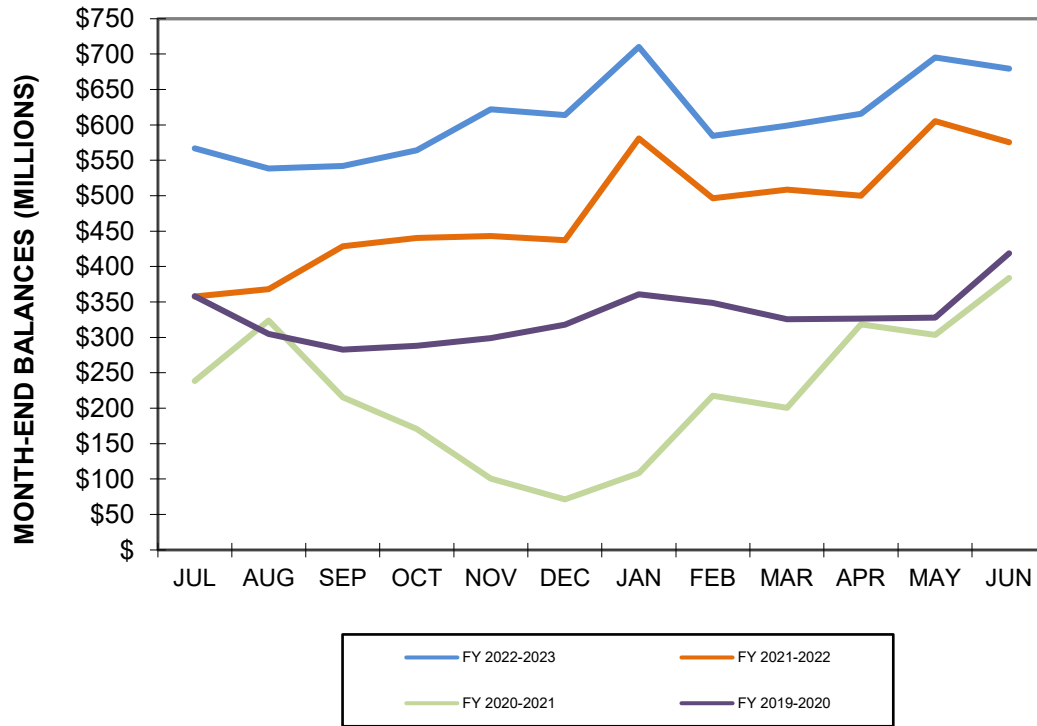
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Submitted by:

RICK BRUNEAU
Director of Finance

GENERAL FUND Comparison of Cash Balances vs. Prior Year's Balance



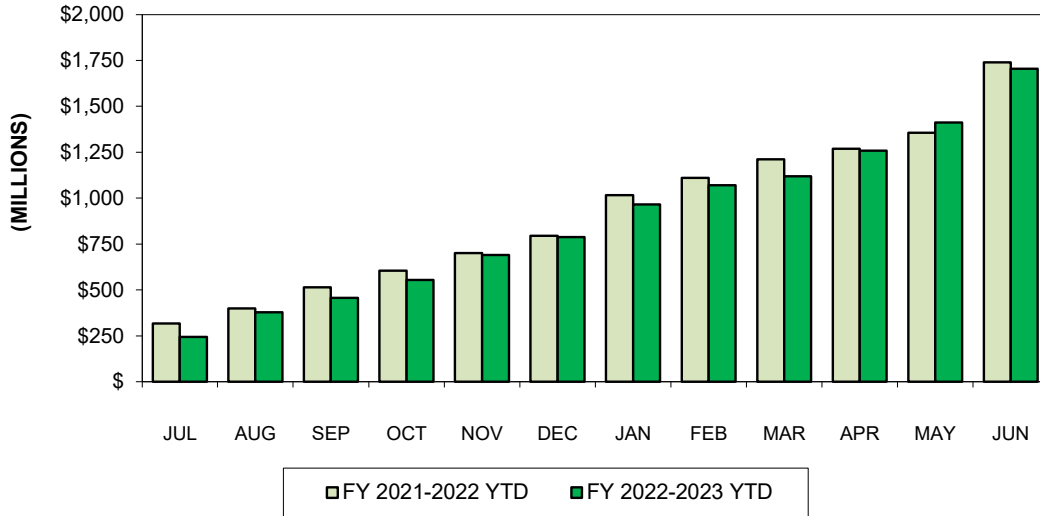
GENERAL FUND MONTHLY CASH BALANCES

MONTH	FY 2022-2023	FY 2021-2022	FY 2020-2021	FY 2019-2020
JULY	\$ 566,915,115	\$ 358,124,221	\$ 238,661,153	\$ 358,057,314
AUGUST	538,605,518	367,985,840	323,738,458	304,849,235
SEPTEMBER	542,042,503	428,548,372	215,370,108	283,092,234
OCTOBER	564,251,170	440,238,436	170,467,897	288,196,905
NOVEMBER	622,142,937	442,957,719	100,622,899	299,006,136
DECEMBER	613,707,115	437,194,188	71,502,262	317,868,572
JANUARY ⁽¹⁾	710,351,741	580,885,854	108,130,590	360,969,681
FEBRUARY ⁽²⁾	584,487,275	496,453,999	217,629,193	348,806,133
MARCH	599,096,267	508,488,546	200,717,737	325,495,352
APRIL	615,840,435	500,240,167	318,260,683	326,537,038
MAY ⁽¹⁾	695,301,954	605,557,239	303,297,059	327,914,999
JUNE	679,263,084	575,342,891	384,019,042	419,046,570

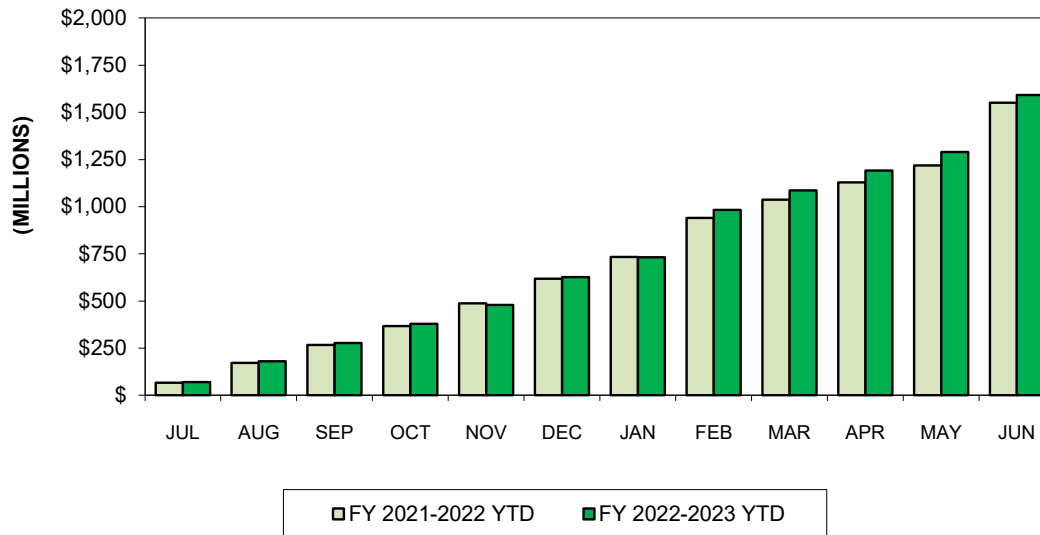
(1) The General Fund cash balance typically experiences increases in January and May each year, primarily due to the bi-annual receipt of property taxes from Santa Clara County.

(2) In February, there was a decrease in cash balance due to a repayment of \$140.3 million on the Tax and Revenue Anticipation Note (TRAN).

GENERAL FUND
Comparison of YTD Revenues vs. Prior YTD Revenues
Actual

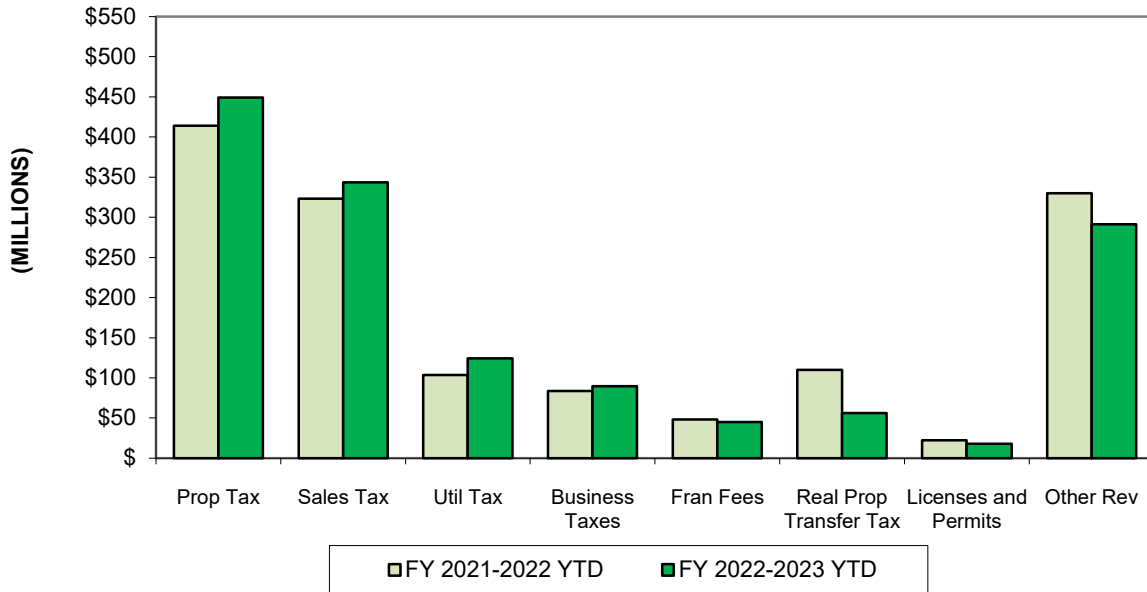


GENERAL FUND
Comparison of YTD Expenditures vs. Prior YTD Expenditures
Actual

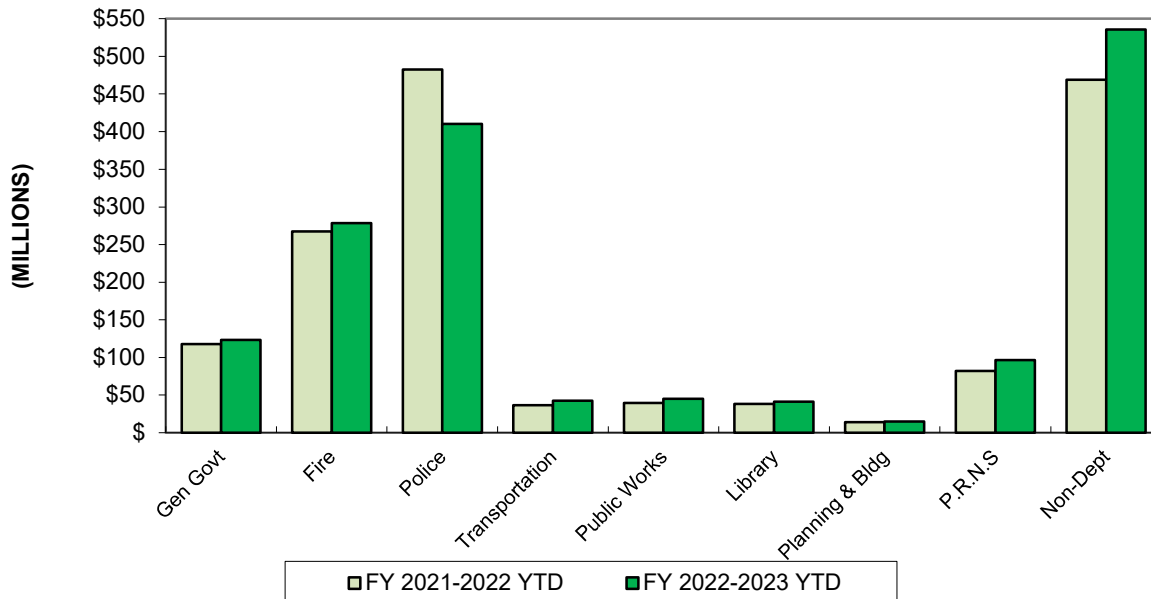


Note: 1) Decrease in revenues can be attributed to two main factors: a reduction from \$285.0 million in FY 2022 to \$275.0 million in FY 2023 in TRAN proceeds, and a \$53.7 million decrease in real property transfer tax revenue, which resulted from a decline in property transfers subject to the tax.
 2) The substantial increase in revenues in June 2023 can be primarily attributed to two factors: increased collection and timing differences in posting property tax receipts.

GENERAL FUND MAJOR REVENUES
Comparison of YTD Actual vs. Prior YTD Actual



GENERAL FUND MAJOR EXPENDITURES
Comparison of YTD Actual vs. Prior YTD Actual



- Note: 1) The year-over-year increase in property tax revenue of \$34.9 million is a result of higher assessed property values.
- 2) The \$53.7 million decrease in real property transfer tax revenue can be attributed to a reduction in property transfers subject to the tax.
- 3) The decrease in Other Revenue is primarily due to \$275.0 million received in TRAN proceeds in FY 2023 compared to \$285.0 million received in TRAN proceeds in FY 2022.
- 4) The decrease in Police expenditures reflects the reallocation of police costs from the General Fund to the American Rescue Plan Fund. Police personal services were allocated to the American Rescue Plan as an eligible government service cost under the programs revenue loss replacement category.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
FUND BALANCE, REVENUE, TRANSFERS & REIMBURSEMENTS
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)

	ADOPTED FY 2022-2023 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2022-2023 BUDGET	CUR YTD ACTUAL (*)	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL (*)	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END ACTUAL (*)	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
Fund Balance											
Prior Year Encumbrances	-	-	63,818	63,818	63,818	100.00%	56,415	100.00%	56,415	7,403	13.12%
Available Balance	507,134	51,853	-	558,987	558,987	100.00%	369,180	100.00%	369,180	189,807	51.41%
Total Fund Balance	507,134	51,853	63,818	622,805	622,805	100.00%	425,595	100.00%	425,595	197,210	46.34%
General Revenues											
Property Tax	427,000	20,000	-	447,000	449,014	100.45%	414,124	100.00%	414,124	34,890	8.43%
Sales Tax	331,000	6,200	-	337,200	343,472	101.86%	323,144	100.00%	323,144	20,328	6.29%
Telephone Line Tax	20,000	-	-	20,000	21,094	105.47%	21,314	100.00%	21,314	(220)	-1.03%
Transient Occupancy Tax	11,000	4,000	-	15,000	14,937	99.58%	10,515	100.00%	10,515	4,422	42.05%
Franchise Fees	49,168	(4,200)	-	44,968	44,824	99.68%	48,378	100.00%	48,378	(3,554)	-7.35%
Utility Tax	107,450	13,500	-	120,950	124,267	102.74%	103,592	100.00%	103,592	20,675	19.96%
Business Taxes	86,000	1,000	-	87,000	89,627	103.02%	83,704	100.00%	83,704	5,923	7.08%
Real Property Transfer Tax	65,000	-	-	65,000	56,280	86.58%	110,015	100.00%	110,015	(53,735)	-48.84%
Licenses and Permits	20,993	(215)	-	20,778	17,757	85.46%	22,354	100.00%	22,354	(4,597)	-20.56%
Fines, Forfeits and Penalties	12,232	-	-	12,232	17,353	141.87%	15,174	100.00%	15,174	2,179	14.36%
Use of Money and Property	8,779	7,000	-	15,779	19,158	121.41%	9,136	100.00%	9,136	10,022	109.70%
Revenue from Local Agencies	17,108	6,738	-	23,846	25,497	106.92%	24,896	100.00%	24,896	601	2.41%
Revenue from State of CA	26,890	7,646	-	34,536	19,913	57.66%	23,988	100.00%	23,988	(4,075)	-16.99%
Revenue from Federal Government	7,111	4,367	-	11,478	4,962	43.23%	5,215	100.00%	5,215	(253)	-4.85%
Fees, Rates and Charges	23,914	(1,789)	-	22,125	23,595	106.64%	21,901	100.00%	21,901	1,694	7.73%
Other Revenues	16,824	275,338	-	292,162	291,249	99.69%	329,934	100.00%	329,934	(38,685)	-11.73%
Total General Revenues	1,230,469	339,586	-	1,570,055	1,562,999	99.55%	1,567,384	100.00%	1,567,384	(4,385)	-0.28%
Transfers & Reimbursements											
Overhead Reimbursements	73,801	735	-	74,536	75,800	101.70%	53,651	100.00%	53,651	22,149	41.28%
Transfers from Other Funds	31,962	3,676	-	35,638	47,176	132.38%	83,419	100.00%	83,419	(36,243)	-43.45%
Reimbursements for Services	16,296	2,300	-	18,596	17,772	95.57%	34,395	100.00%	34,395	(16,623)	-48.33%
Total Transfers & Reimbursements	122,059	6,711	-	128,770	140,748	109.30%	171,465	100.00%	171,465	(30,717)	-17.91%
Total Sources	1,859,662	398,150	63,818	2,321,630	2,326,552	100.21%	2,164,444	100.00%	2,164,444	162,108	7.49%

(*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

Note: Figures may not total due to rounding.

CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
EXPENDITURES
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END	CUR YTD LESS	% CHANGE	
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL (*)	ENCUMBR	ACTUAL %	YTD	OF PRIOR		PRIOR YEAR-END	PRIOR YTD	CUR YTD ACTUAL
	BUDGET	AMENDMENTS		BUDGET	ACTUAL (*)	ENCUMBR	OF BUDGET	ACTUAL (1)(*)	YEAR-END		ACTUAL (1)(*)	ACTUAL (1)	LESS PRIOR YTD
General Government													
Mayor and Council	17,369	531	34	17,934	14,366	52	80.11%	15,494	100.00%	15,494	(1,128)	-7.28%	
City Attorney	17,720	1,144	1,463	20,327	18,076	1,937	88.93%	17,741	100.00%	17,741	335	1.89%	
City Auditor	2,776	27	5	2,808	2,497	4	88.93%	2,256	100.00%	2,256	241	10.68%	
City Clerk	3,289	25	-	3,314	3,329	(20)	100.44%	3,465	100.00%	3,465	(136)	-3.92%	
City Manager	22,022	641	1,454	24,117	20,613	1,489	85.47%	19,347	100.00%	19,347	1,266	6.54%	
Finance	21,782	637	624	23,043	20,071	1,158	87.10%	19,690	100.00%	19,690	381	1.93%	
Information Technology	29,768	6	3,726	33,500	24,953	4,548	74.49%	22,081	100.00%	22,081	2,872	13.01%	
Human Resources	12,572	631	116	13,319	12,479	348	93.69%	10,792	100.00%	10,792	1,687	15.63%	
Independent Police Auditor	1,600	16	-	1,616	1,203	-	74.45%	1,500	100.00%	1,500	(297)	-19.80%	
Office of Economic Development	5,903	198	703	6,804	5,872	722	86.30%	5,425	100.00%	5,425	447	8.24%	
Total General Government	134,801	3,856	8,125	146,782	123,459	10,238	84.11%	117,791	100.00%	117,791	5,668	4.81%	
Public Safety													
Fire	271,114	10,028	1,524	282,666	278,490	2,760	98.52%	267,567	100.00%	267,567	10,923	4.08%	
Police	486,732	(67,744)	3,575	422,563	410,220	3,318	97.08%	482,453	100.00%	482,453	(72,233)	-14.97%	
Total Public Safety	757,846	(57,716)	5,099	705,229	688,710	6,078	97.66%	750,020	100.00%	750,020	(61,310)	-8.17%	
Capital Maintenance													
Transportation	43,854	264	1,666	45,784	42,441	1,188	92.70%	36,455	100.00%	36,455	5,986	16.42%	
Public Works	42,886	4,165	1,259	48,310	45,040	3,175	93.23%	39,366	100.00%	39,366	5,674	14.41%	
Total Capital Maintenance	86,740	4,429	2,925	94,094	87,481	4,363	92.97%	75,821	100.00%	75,821	11,660	15.38%	
Community Service													
Housing	618	5	140	763	516	126	67.59%	429	100.00%	429	87	20.28%	
Library	40,946	678	1,675	43,299	41,200	1,948	95.15%	38,348	100.00%	38,348	2,852	7.44%	
Planning, Bldg & Code Enf.	17,642	(58)	413	17,997	14,884	672	82.70%	13,881	100.00%	13,881	1,003	7.23%	
Parks, Rec & Neigh Svcs	104,522	(73)	1,109	105,558	96,475	1,836	91.40%	82,132	100.00%	82,132	14,343	17.46%	
Environmental Services	5,337	187	328	5,852	4,061	621	69.40%	2,824	100.00%	2,824	1,237	43.80%	
Total Community Services	169,065	740	3,665	173,470	157,136	5,203	90.58%	137,614	100.00%	137,614	19,522	14.19%	
Total Dept. Expenditures	1,148,452	(48,692)	19,814	1,119,574	1,056,786	25,882	94.39%	1,081,246	100.00%	1,081,246	(24,460)	-2.26%	

(*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

Note: Figures may not total due to rounding.

**CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
EXPENDITURES
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O ENCUMBR	REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END ACTUAL (1)(*)	CUR YTD LESS	% CHANGE	
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL (*)	ENCUMBR	ACTUAL %	YTD	OF PRIOR		PRIOR YEAR-END	PRIOR YTD	CUR YTD ACTUAL
	BUDGET	AMENDMENTS		BUDGET			OF BUDGET	ACTUAL (1)(*)	ACTUAL		ACTUAL (1)(*)	ACTUAL (1)	LESS PRIOR YTD ACTUAL
Non-Dept Expenditures													
City-wide Expenditures:													
Econ & Neighborhood Develop.	92,239	151,617	15,382	259,238	66,605	32,896	25.69%	37,322	100.00%	37,322	29,283	78.46%	
Environmental & Utility Services	1,347	885	179	2,411	1,859	299	77.10%	1,757	100.00%	1,757	102	5.81%	
Public Safety	28,786	8,599	581	37,966	26,987	1,214	71.08%	24,860	100.00%	24,860	2,127	8.56%	
Recreation & Cultural Services	26,711	42,028	5,375	74,114	51,733	8,211	69.80%	17,867	100.00%	17,867	33,866	189.54%	
Transportation Services	5,174	1,368	7	6,549	3,833	9	58.53%	4,246	100.00%	4,246	(413)	-9.73%	
Strategic Support	59,156	304,731	4,545	368,432	319,307	5,628	86.67%	316,809	100.00%	316,809	2,498	0.79%	
Total City-wide Expenditures	213,413	509,228	26,069	748,710	470,324	48,257	62.82%	402,861	100.00%	402,861	67,463	16.75%	
Other Non-Dept Expenditures:													
Capital Improvements	50,933	4,747	17,935	73,615	27,331	10,334	37.13%	37,729	100.00%	37,729	(10,398)	-27.56%	
Transfers to Other Funds	25,469	12,342	-	37,811	37,811	-	100.00%	27,992	100.00%	27,992	9,819	35.08%	
Total Non-Dept Expenditures	289,815	526,316	44,004	860,135	535,466	58,591	62.25%	468,582	100.00%	468,582	66,884	14.27%	
Reserves													
Contingency Reserve	41,000	5,000	-	46,000	-	-	0.00%	-	0.00%	-	-	0.00%	
Earmarked Reserves	380,395	(84,475)	-	295,920	-	-	0.00%	1,275	100.00%	1,275	(1,275)	-100.00%	
Total Reserves	421,395	(79,475)	-	341,920	-	-	0.00%	1,275	100.00%	1,275	(1,275)	-100.00%	
Total Uses	1,859,662	398,150	63,818	2,321,630	1,592,252	84,473	68.58%	1,551,103	100.00%	1,551,103	41,149	2.65%	

(*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

Note: Figures may not total due to rounding.

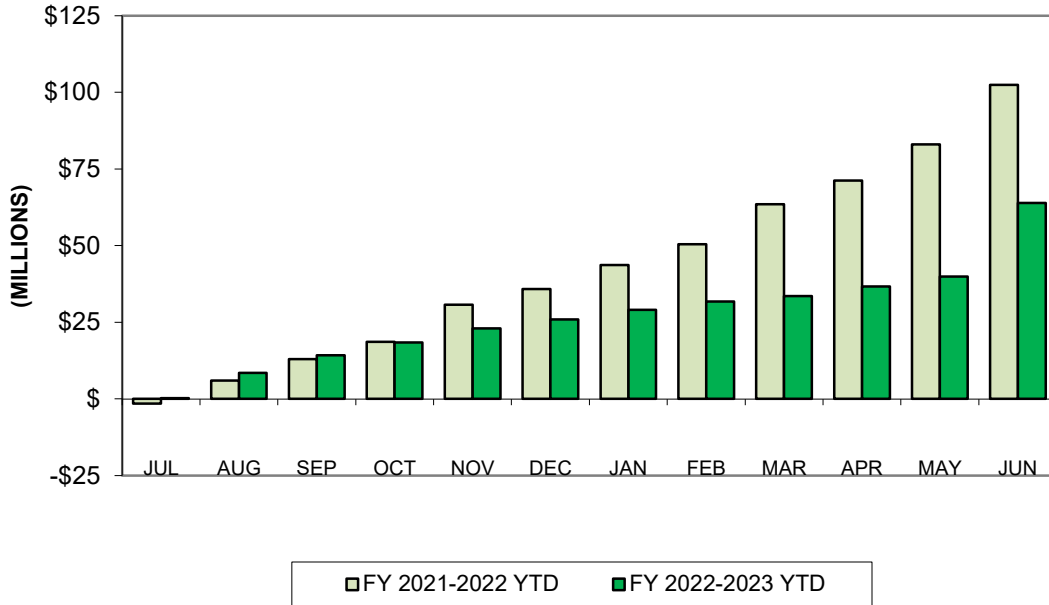
**CITY OF SAN JOSE
GENERAL FUND SOURCE AND USE OF FUNDS
FOR THE MONTHS ENDED JUNE 30, 2023
SUPPLEMENTAL SCHEDULE - DEPARTMENTAL REVENUES
(UNAUDITED)
(\$000's)**

	ADOPTED FY 2022-2023 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2022-2023 BUDGET	CUR YTD ACTUAL (*)	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL (*)	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END ACTUAL (*)	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
Police	1,032	211	-	1,243	1,178	94.77%	761	100.00%	761	417	54.80%
Public Works	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Transportation	2,106	-	-	2,106	1,633	77.54%	1,566	100.00%	1,566	67	4.28%
Library	26	-	-	26	78	300.00%	42	100.00%	42	36	85.71%
Planning, Bldg & Code Enforcement	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Parks Rec & Neigh Svcs	18,010	(2,000)	-	16,010	17,707	110.60%	16,046	100.00%	16,046	1,661	10.35%
Miscellaneous Dept Charges	2,740	-	-	2,740	2,999	109.45%	3,486	100.00%	3,486	(487)	-13.97%
Total Fees, Rates, and Charges	23,914	(1,789)	-	22,125	23,595	106.64%	21,901	100.00%	21,901	1,694	7.73%

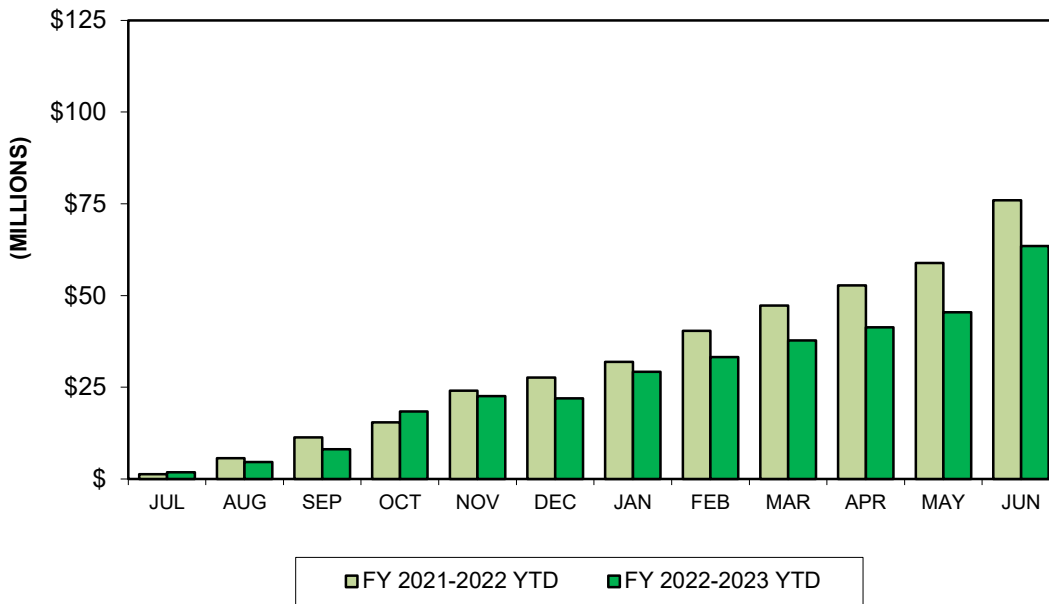
(*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

Note: Figures may not total due to rounding.

**CONSTRUCTION & CONVEYANCE TAX FUNDS 377-378 & 380-398
Comparison of YTD Revenues vs. Prior YTD Revenues**

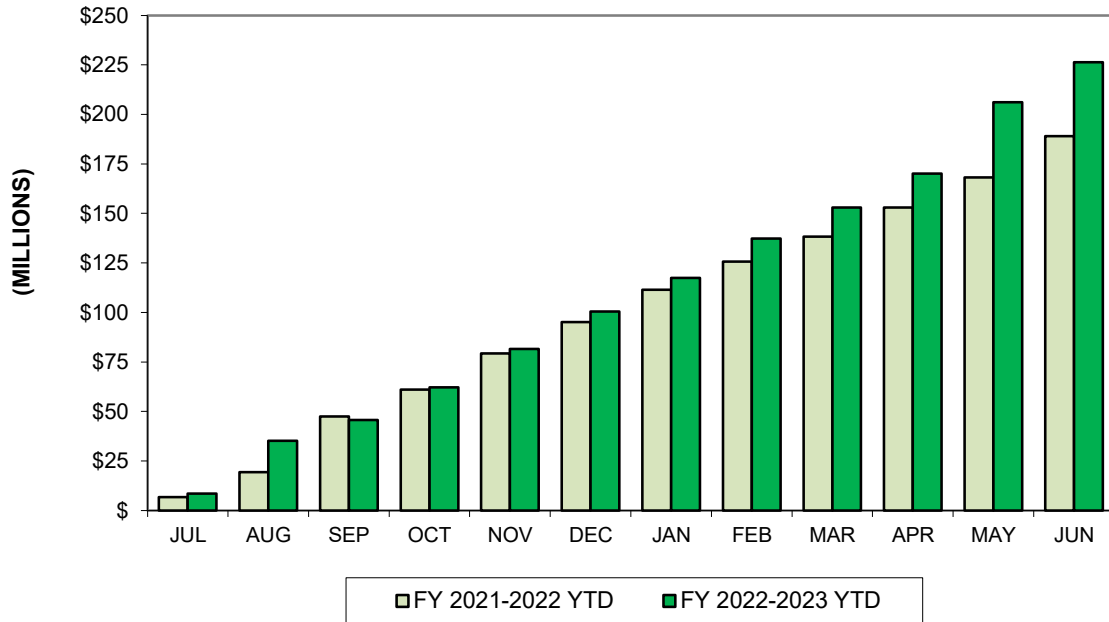


**CONSTRUCTION & CONVEYANCE TAX FUNDS 377-378 & 380-398
Comparison of YTD Expenditures vs. Prior YTD Expenditures**

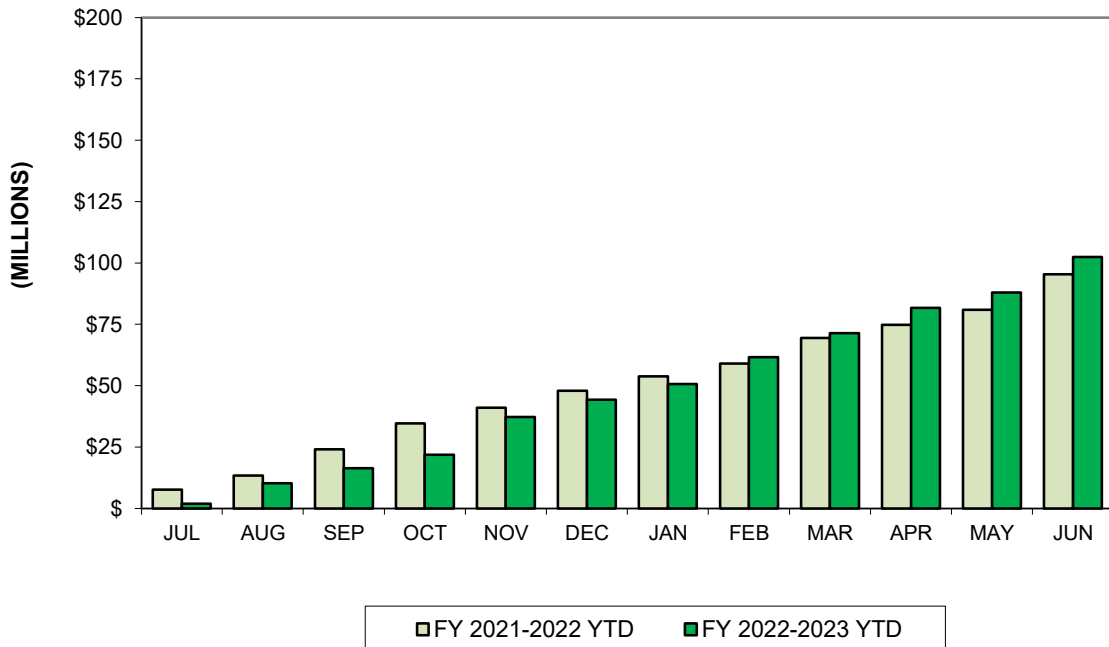


- Note:
- 1) Negative revenues in July 2021 is due to year-end adjustments (accrual reversals).
 - 2) The overall decrease in revenue is primarily a result of collecting \$63.9 million for conveyance taxes in FY 2023, compared to the \$102.4 million received in FY 2022. This decrease was mainly due to fewer property transfers occurring in FY 2023.

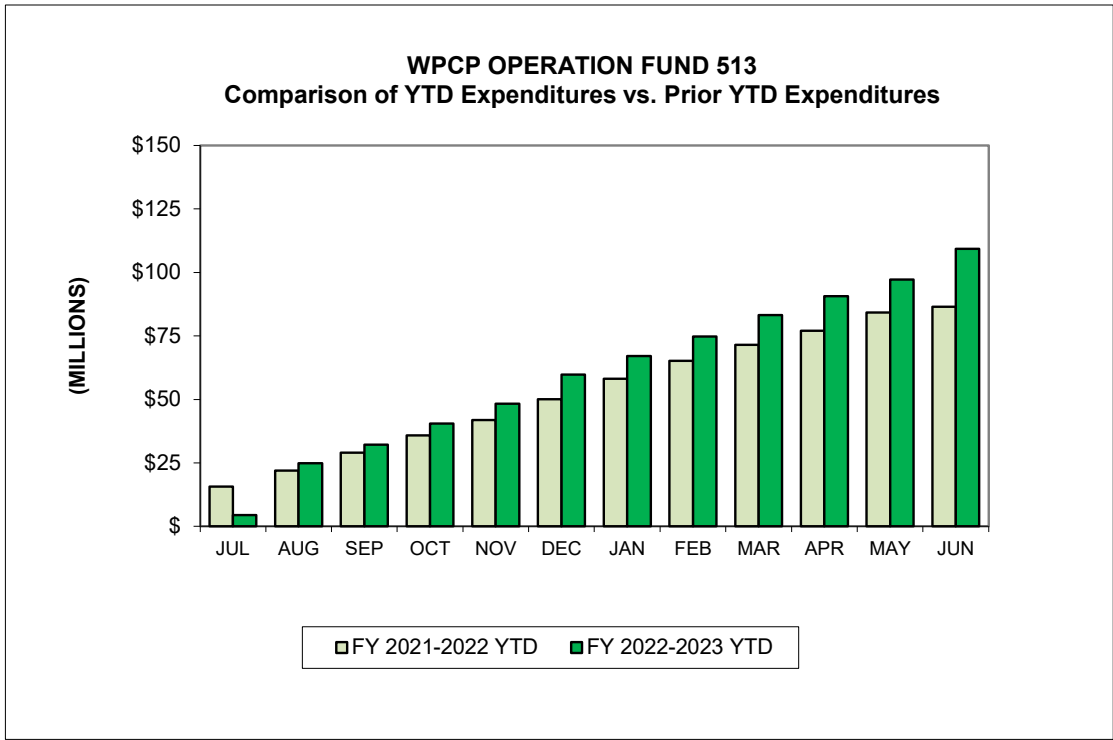
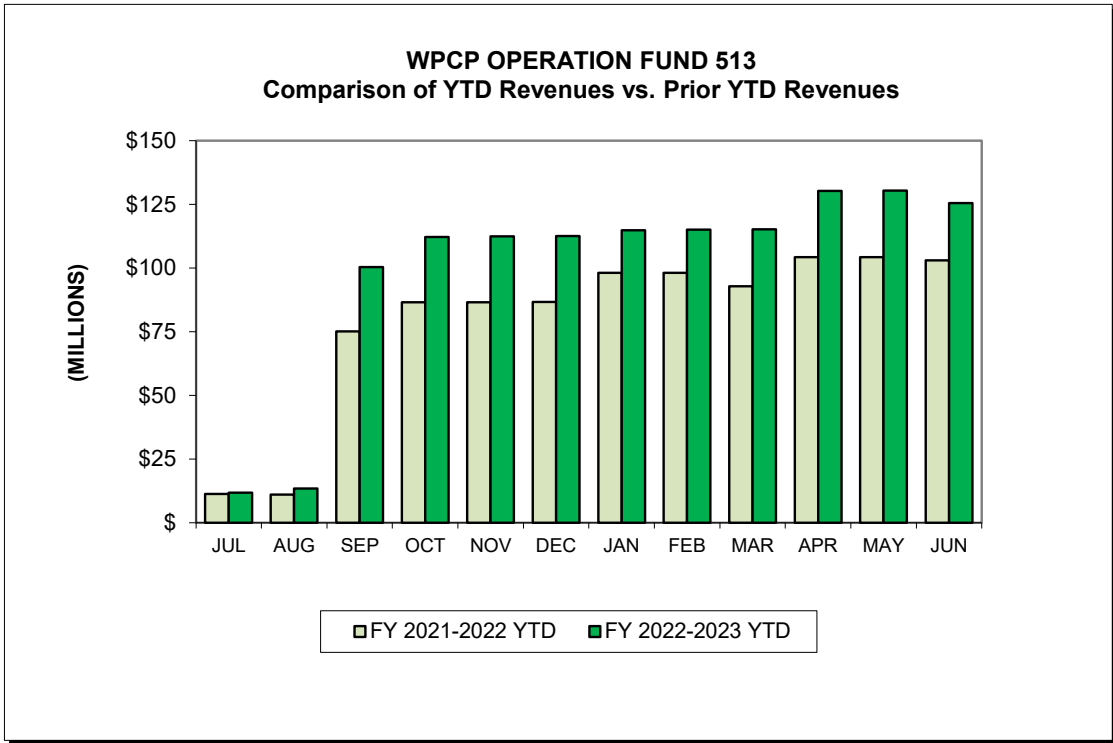
**AIRPORT REVENUE FUND 521
Comparison of YTD Revenues vs. Prior YTD Revenues**



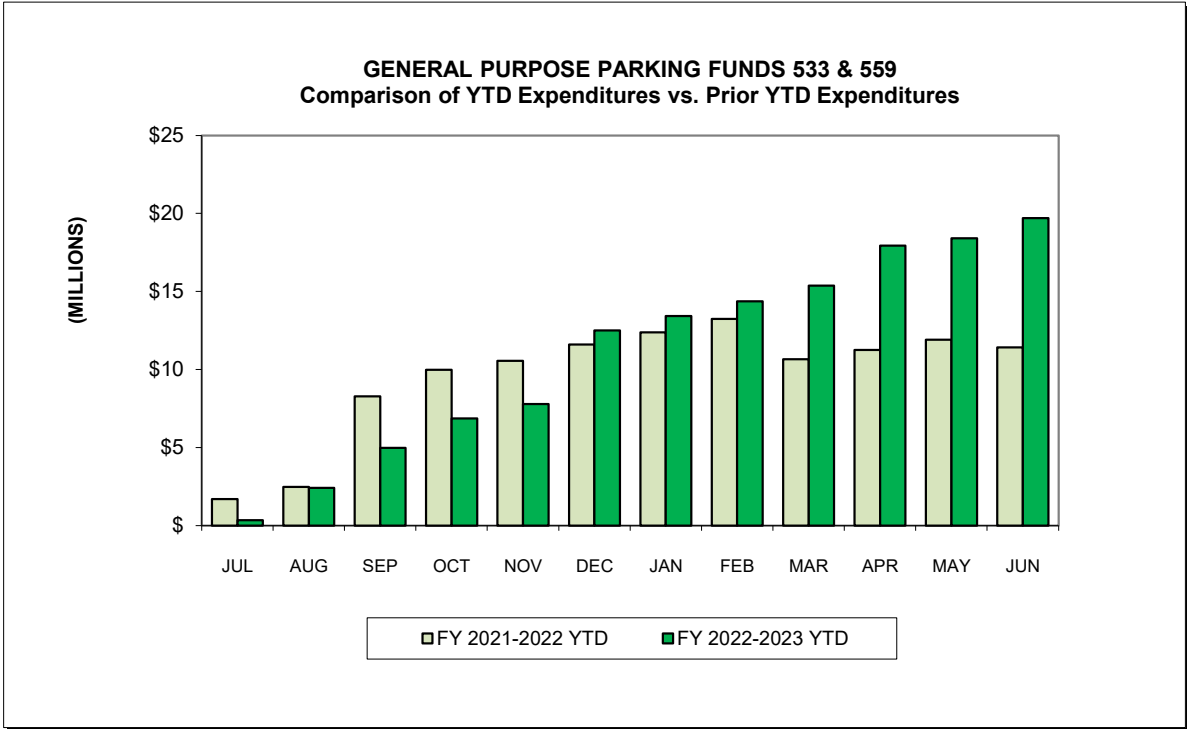
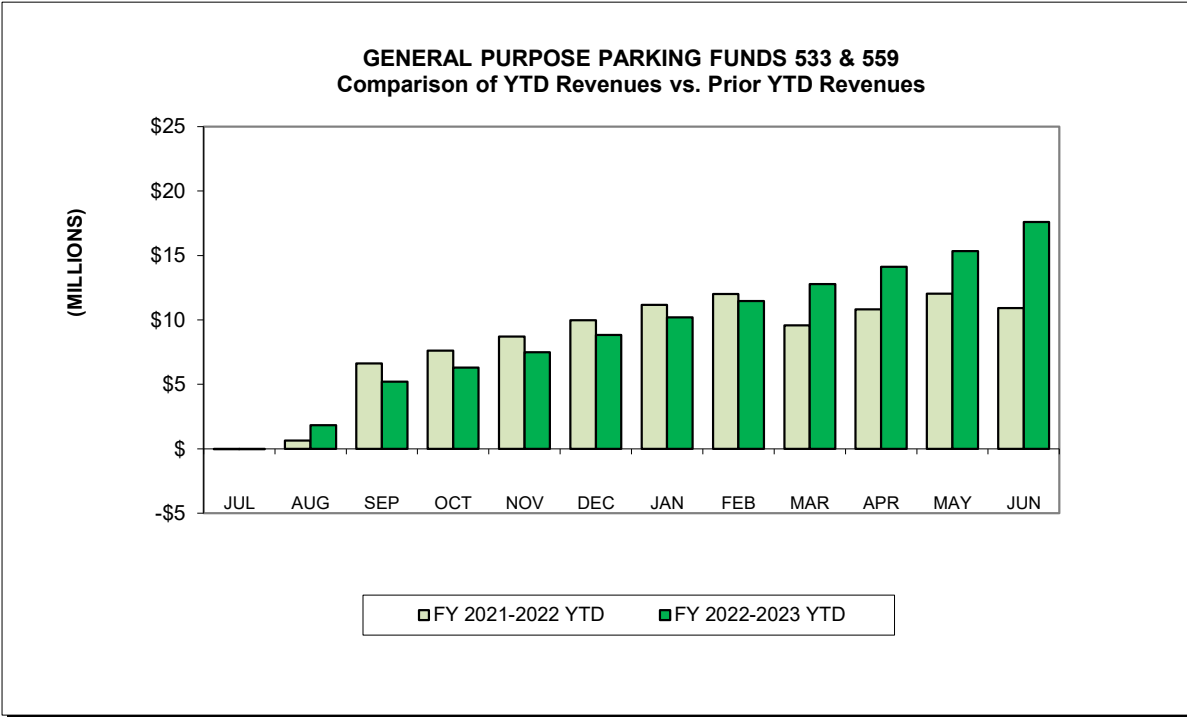
**AIRPORT MAINTENANCE & OPERATION FUND 523
Comparison of YTD Expenditures vs. Prior YTD Expenditures**



Note: 1) Increase in passenger activity led to an overall rise in revenues from rentals/concession income, parking, and landing fees.
 2) The Airport received Relief Supplemental Appropriations (CRRSA) Act Concessions of \$28.9 million in FY2023 compared to \$20.0 million in FY2022.

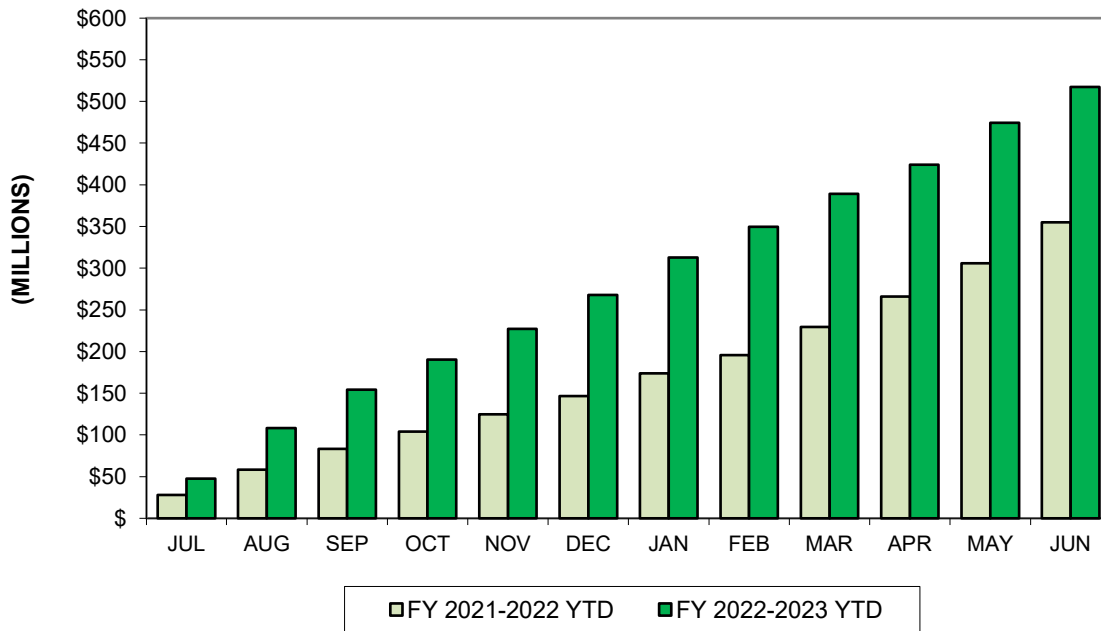


Note: 1) Increase in revenue in September 2022 was due to \$86.8 million transferred in from Sewer Service & Use Charge Fund (541); whereas \$64.0 million was transferred in September 2021.
 2) July 2022 expenditures were lower due to a timing difference in posting the indirect cost reimbursement from this fund to the general fund. The entry was completed in August 2022.

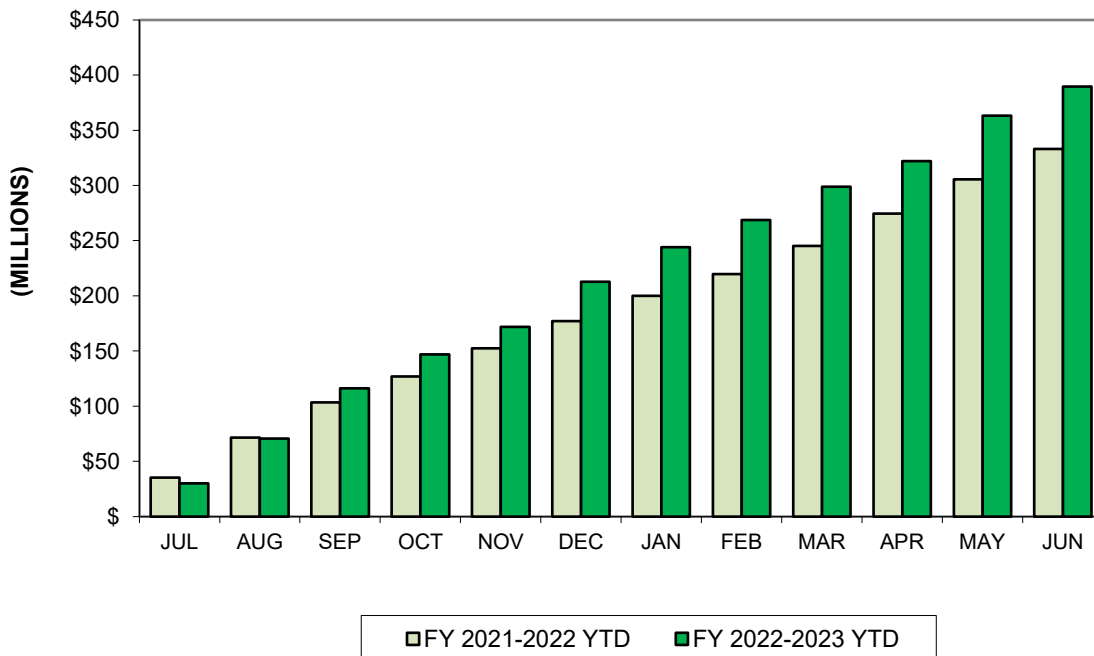


- Note: 1) July 2022 expenditures were lower due to a timing difference in posting the indirect cost reimbursement from this fund to the general fund. The entry was completed in August 2022.
- 2) Increase in revenue as of June 2023 is primarily due to higher parking income received from Convention Center and Market & San Pedro Square Garage.
- 3) Increase in expenditures can be attributed to two main factors: (1) \$3.8 million was spent on the Parking Access Revenue Control Systems as of June 2023, compared to \$0.2 million spent in June 2022, (2) \$2.2 million was expended on the Greater Downtown Parking Inventory project as of June 2023, compared to \$0.2 million spent in June 2022.

**CLEAN ENERGY FUND 501
Comparison of YTD Revenues vs. Prior YTD Revenues**



**CLEAN ENERGY FUND 501
Comparison of YTD Expenditures vs. Prior YTD Expenditures**



Note: 1) Increase in Clean Energy revenue is due to three rate changes that have been implemented in the past 12 months. These increases were implemented to align with PG&E rate increases.

**CITY OF SAN JOSE
SPECIAL FUNDS
SOURCE AND USE OF FUNDS
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
Construction/Conveyance Tax							
Prior Year Encumbrance	-	-	9,400	9,400	9,400	-	7,745
Beginning Fund Balance	107,423	14,834	-	122,257	122,257	-	99,303
Revenues	77,226	(3,585)	-	73,641	59,648	-	102,404
Total Sources	184,649	11,249	9,400	205,298	191,305	-	209,452
Total Uses	184,649	11,249	9,400	205,298	63,506	10,977	75,945
Airport							
Prior Year Encumbrance	-	-	27,304	27,304	27,304	-	22,130
Beginning Fund Balance	230,050	27,221	-	257,271	257,271	-	232,666
Revenues	616,376	55,803	-	672,179	606,420	-	440,271
Total Sources	846,426	83,024	27,304	956,754	890,995	-	695,067
Total Uses	846,426	83,024	27,304	956,754	500,720	44,579	374,871
Waste Water Treatment							
Prior Year Encumbrance	-	-	268,001	268,001	268,001	-	260,725
Beginning Fund Balance	307,060	(125,857)	-	181,203	181,203	-	147,536
Revenues	900,024	164,439	-	1,064,463	752,812	-	432,863
Total Sources	1,207,084	38,582	268,001	1,513,667	1,202,016	-	841,124
Total Uses	1,207,084	38,582	268,001	1,513,667	499,563	189,222	457,216
Parking							
Prior Year Encumbrance	-	-	7,501	7,501	7,501	-	8,355
Beginning Fund Balance	28,170	9,909	-	38,079	38,079	-	35,597
Revenues	15,683	-	-	15,683	17,592	-	10,920
Total Sources	43,853	9,909	7,501	61,263	63,172	-	54,872
Total Uses	43,853	9,909	7,501	61,263	19,696	4,144	11,405
Municipal Water							
Prior Year Encumbrance	-	-	7,756	7,756	7,756	-	4,089
Beginning Fund Balance	28,677	2,961	-	31,638	31,638	-	33,781
Revenues	72,040	(2,300)	-	69,740	69,628	-	64,173
Total Sources	100,717	661	7,756	109,134	109,022	-	102,043
Total Uses	100,717	661	7,756	109,134	66,015	5,300	61,300

Note: Figures may not total due to rounding.

**CITY OF SAN JOSE
SPECIAL FUNDS
SOURCE AND USE OF FUNDS
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
Community Energy							
Prior Year Encumbrance	-	-	5,217	5,217	5,217	-	11,076
Beginning Fund Balance	85,706	14,908	-	100,614	100,614	-	28,124
Revenues	416,808	85,363	-	502,171	517,479	-	355,137
Total Sources	502,514	100,271	5,217	608,002	623,310	-	394,337
Total Uses	502,514	120,271	5,217	628,002	389,561	22,761	333,145
Gas Tax							
Revenues	15,500	2,300	-	17,800	17,187	-	15,803
Total Sources	15,500	2,300	-	17,800	17,187	-	15,803
Total Uses	15,500	2,300	-	17,800	17,187	-	15,803
Building and Structures							
Prior Year Encumbrance	-	-	3,840	3,840	3,840	-	4,062
Beginning Fund Balance	94,604	4,738	-	99,342	99,342	-	97,455
Revenues	88,048	7,555	-	95,603	29,978	-	26,496
Total Sources	182,652	12,293	3,840	198,785	133,160	-	128,013
Total Uses	182,652	12,293	3,840	198,785	31,149	22,093	25,492
Residential Construction							
Beginning Fund Balance	2,537	354	-	2,891	2,891	-	2,728
Revenues	224	46	-	270	277	-	229
Total Sources	2,761	400	-	3,161	3,168	-	2,957
Total Uses	2,761	400	-	3,161	99	-	66
Transient Occupancy Tax							
Prior Year Encumbrance	-	-	675	675	675	-	949
Beginning Fund Balance	3,069	2,306	-	5,375	5,375	-	2,069
Revenues	16,555	6,000	-	22,555	22,437	-	15,792
Total Sources	19,624	8,306	675	28,605	28,487	-	18,810
Total Uses	19,624	8,306	675	28,605	22,744	775	12,760
Conventions, Arts & Entertainment							
Prior Year Encumbrance	-	-	64	64	64	-	125
Beginning Fund Balance	1,898	1,607	-	3,505	3,505	-	3,169
Revenues	12,182	2,725	-	14,907	58,626	-	40,066
Total Sources	14,080	4,332	64	18,476	62,195	-	43,360
Total Uses	14,080	4,332	64	18,476	11,566	311	10,344

Note: Figures may not total due to rounding.

**CITY OF SAN JOSE
SPECIAL FUNDS
SOURCE AND USE OF FUNDS
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$'000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
Golf							
Beginning Fund Balance	2,355	394	-	2,749	2,749	-	1,970
Revenues	720	-	-	720	500	-	1,041
Total Sources	3,075	394	-	3,469	3,249	-	3,011
Total Uses	3,075	394	-	3,469	450	-	262
American Rescue Plan Act							
Prior Year Encumbrance	-	-	-	-	-	-	216
Beginning Fund Balance	31,502	(43,728)	-	(12,226)	(12,226)	-	128,529
Revenues	57,136	49,429	-	106,565	109,846	-	102,307
Total Sources	88,638	5,701	-	94,339	97,620	-	231,052
Total Uses	88,638	5,701	-	94,339	106,464	-	104,639
Emergency Reserve							
Prior Year Encumbrance	-	-	3,638	3,638	3,638	-	-
Beginning Fund Balance	(40,221)	8,509	-	(31,712)	(31,712)	-	(34,654)
Revenues	41,235	(2,925)	-	38,310	7,149	-	26,520
Total Sources	1,015	5,584	3,638	10,236	(20,925)	-	(8,134)
Total Uses	1,015	5,583	3,638	10,236	3,660	2,551	32,269
Low and Moderate Income Housing Asset							
Prior Year Encumbrance	-	-	53,627	53,627	53,627	-	-
Beginning Fund Balance	106,444	12,229	-	118,673	118,673	-	155,182
Revenues	17,000	-	-	17,000	13,067	-	15,069
Total Sources	123,444	12,229	53,627	189,300	185,367	-	170,249
Total Uses	123,444	12,229	53,627	189,300	18,219	42,837	18,378
Other Special Revenue Funds							
Prior Year Encumbrance	-	-	51,319	51,319	51,319	-	76,338
Beginning Fund Balance	358,667	30,102	-	388,769	388,769	-	343,789
Revenues	600,284	65,256	-	665,540	630,875	-	666,120
Total Sources	958,951	95,358	51,319	1,105,628	1,070,963	-	1,086,247
Total Uses	958,951	95,358	51,319	1,105,628	624,282	53,310	588,465

Note: Figures may not total due to rounding.

CITY OF SAN JOSE
CAPITAL PROJECT FUNDS
SOURCE AND USE OF FUNDS
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
Construction Excise							
Prior Year Encumbrance	-	-	22,140	22,140	22,140	-	58,622
Beginning Fund Balance	99,052	(1,048)	-	98,004	98,004	-	185,105
Revenues	89,213	48,052	-	137,265	85,574	-	288,963
Total Sources	188,265	47,004	22,140	257,409	205,718	-	532,690
Total Uses	188,265	47,004	22,140	257,409	174,508	50,771	101,760
Other Capital Funds							
Prior Year Encumbrance	-	-	1,102	1,102	1,102	-	837
Beginning Fund Balance	258,642	(214,904)	-	43,738	43,738	-	99,539
Revenues	120	219,294	-	219,414	519	-	71
Total Sources	258,762	4,390	1,102	264,254	45,359	-	100,447
Total Uses	258,762	4,390	1,102	264,254	20,590	942	37,131

Note: Figures may not total due to rounding.

**CITY OF SAN JOSE
OTHER FUND TYPES
SOURCE AND USE OF FUNDS
FOR THE MONTHS ENDED JUNE 30, 2023
(UNAUDITED)
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2022-2023	BUDGET		FY 2022-2023	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
Trust and Agency							
Prior Year Encumbrance	-	-	430	430	102	-	102
Beginning Fund Balance	6,897	4,427	-	11,324	11,699	-	11,699
Revenues	3,913	584	-	4,497	4,811	-	4,956
Total Sources	<u>10,810</u>	<u>5,011</u>	<u>430</u>	<u>16,251</u>	<u>16,612</u>	<u>-</u>	<u>16,757</u>
Total Uses	<u>10,810</u>	<u>5,011</u>	<u>430</u>	<u>16,251</u>	<u>6,829</u>	<u>379</u>	<u>4,250</u>

Note: Figures may not total due to rounding.