

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### American Rescue Plan Fund (402)

Transfer to the General Fund	Finance Department	(\$541,995)	
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This action decreases the transfer to the General Fund from the American Rescue Plan Fund by \$541,995, from \$2.2 million to \$1.7 million, to reflect the final reconciliation of activity within the fund for 2022-2023. The 2022-2023 Annual Report included 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. After a final reconciliation, the original transfer amount to the General Fund is reduced by \$541,995 to allow the close out the American Rescue Plan Fund. The action to recognize the reduce revenues in the General Fund is included elsewhere in this report.

Ending Fund Balance Adjustment	Finance Department	\$541,995	
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This action increases the Ending Fund Balance to offset the action recommended in this report.

### American Rescue Plan Fund (402)

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	<b>\$0</b>	<b>\$0</b>
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## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Benefits Funds - Benefit Fund (160)</b>			
401(a) Defined Contribution Retirement Plan/Transfers and Reimbursements (Reimbursements from City Funds)	Human Resources Department	\$100,000	\$100,000
<p>This action increases the 401(a) Defined Benefit Contribution Retirement Plan appropriation in the Benefit Fund by \$100,000, from \$300,000 to \$400,000, offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements from citywide contributions across all funds supporting active participants in this benefit plan. This action is part of a series of adjustments to align funding levels with actual plan enrollment, salary basis as applicable, and benefit plan use.</p>			
Employee Assistance Program/Transfers and Reimbursements (Reimbursements from City Funds)	Human Resources Department	\$210,000	\$210,000
<p>This action increases the Employee Assistance Program appropriation in the Benefit Fund by \$210,000, from \$537,000 to \$747,000, offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements from citywide contributions across all funds supporting active participants in this benefit plan. This action is part of a series of adjustments to align funding levels with actual plan enrollment, salary basis as applicable, and benefit plan use.</p>			
MEF Legal/Transfers and Reimbursements (Reimbursements from City Funds)	Human Resources Department	\$20,000	\$20,000
<p>This action increases the MEF Legal appropriation in the Benefit Fund by \$20,000, from \$87,000 to \$107,000, offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements from citywide contributions across all funds supporting active participants in the benefit plan. This is part of a series of adjustments to align funding levels with actual benefit plan enrollment, salary basis, and benefit use.</p>			
PTC 457/Transfers and Reimbursements (Reimbursements from City Funds)	Human Resources Department	\$110,000	\$110,000
<p>This action increases the PTC 457 appropriation in the Benefit Fund by \$110,000, from \$1.5 million to \$1.6 million, offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements from citywide contributions across all funds supporting active participants in this benefit plan. This action is part of a series of adjustments to align funding levels with actual plan enrollment, salary basis as applicable, and benefit plan use.</p>			

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### Benefits Funds - Benefit Fund (160)

FICA - Medicare/Transfers and Reimbursements (Reimbursements from City Funds)	Human Resources Department	\$400,000	\$400,000
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This action increases the FICA-Medicare appropriation in the Benefit Fund by \$400,000, from \$12.7 million to \$13.1 million, offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements from citywide contributions across all funds supporting active participants in this benefit plan. This action is part of a series of adjustments to align funding levels with actual plan enrollment, salary basis as applicable, and benefit plan use.

<b>Benefits Funds - Benefit Fund (160)</b>	<b>\$840,000</b>	<b>\$840,000</b>
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### Benefits Funds - Dental Insurance Fund (155)

Non-Personal/Equipment (Plan Administration and Actuarial Services)	Human Resources Department	\$40,000	
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This action increases the Human Resources Department's Non-Personal/Equipment appropriation by \$40,000 to reflect higher than anticipated enrollment for 2023-2024 and align funding with rate changes for plan administration that became effective in January 2024. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Ending Fund Balance Adjustment	Human Resources Department	(\$40,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

<b>Benefits Funds - Dental Insurance Fund (155)</b>	<b>\$0</b>	<b>\$0</b>
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## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Benefits Funds - Life Insurance Fund (156)</b>			
Insurance Premiums/Transfers and Reimbursements (Reimbursements from City Funds)	Human Resources Department	\$75,000	\$75,000
<p>This action increases the Insurance Premiums appropriation by \$70,000, from \$1.77 million to \$1.84 million, to reflect higher than anticipated hiring and compensation levels relative to the original forecast for 2023-2024. This action is offset by a corresponding increase to the revenue estimate for Transfers and Reimbursements, reflecting reimbursements from various City funds for benefitted positions.</p>			
		<b>\$75,000</b>	<b>\$75,000</b>
<b>Business Improvement District Fund (351)</b>			
Administration Services (Willow Glen Benefit Improvement District)	Public Works Department	\$10,000	
<p>This action increases the Public Works Department's Administration Services appropriation by \$10,000, from \$15,000 to \$25,000, to fund additional staff time to support the Willow Glen Community Benefit Improvement District. This action will fund staff time needed to assist with gathering information related to a pending litigation. A corresponding decrease to the Willow Glen Community Benefit Improvement District appropriation is recommended in this report to offset this action.</p>			
Willow Glen Community Benefit Improvement District	Public Works Department	(\$10,000)	
<p>This action decreases the Willow Glen Community Benefit Improvement District appropriation by \$10,000, from \$324,092 to \$314,092, to reallocate funding to provide for additional staff time supporting the Willow Glen Community Benefit Improvement District. This action will fund staff time needed to assist with gathering information related to a pending litigation. A corresponding increase to the Public Works Department's Administration Services appropriation is recommended in this report to offset this action.</p>			
		<b>\$0</b>	<b>\$0</b>

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### Community Development Block Grant Fund (441)

Community Wireless Network Infrastructure	Housing Department	(\$2,784,920)	
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This action eliminates the Community Wireless Network Infrastructure appropriation of \$2.8 million. The project has been completed and the funds are no longer necessary. The project implemented public wireless internet at Mount Pleasant High School and Silver Creek High School for students and members of the public living in low-income neighborhoods. Successful implementation resulted in better access to internet and digital services so that residents and students can obtain the potential personal, educational, community and economic benefits that are available with network connectivity. These funds are being recommended to be reallocated to the Neighborhood Infrastructure Improvements appropriation as described in a separation action in this report.

Neighborhood Infrastructure Improvements	Housing Department	\$2,784,920	
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This action increases the Neighborhood Infrastructure Improvements appropriation by \$2.8 million, from \$2.4 million to \$5.2 million, to support already approved community development investment projects per the City's Fiscal Year 2023-2024 CDBG Annual Action Plan. The projects include: Fair Swim Center/Tot lot, Guadalupe Alley lighting and signage, YWCA Child Care Center, and Catholic Charities Senior Center. To offset this action, a corresponding action to eliminate the Community Wireless Network Infrastructure appropriation is recommended in this report.

### Community Development Block Grant Fund (441)

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	<b>\$0</b>	<b>\$0</b>
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## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)

Non-Personal/Equipment (Streetlight Pole Replacement)	Transportation Department	\$83,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$83,000 to fund replacements of corroded streetlight poles that require LED fixtures. The LED fixtures installation project was planned for the Aborn-Murillo and Silverland-Capriana Community Facilities District as part of routine repair and renovation work. During this process, it was discovered that several poles requiring LED fixtures have rusted and corroded from years of exposure to moist and inclement weather. The damage to the poles requires them to be replaced as continued use would further compromise the stability of the poles. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.

Ending Fund Balance Adjustment	Transportation Department	(\$83,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

### Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)

	<b>\$0</b>	<b>\$0</b>
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### Community Facilities District No. 8 (Communications Hill) Fund (373)

Ending Fund Balance Adjustment	Transportation Department	(\$30,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

Security Services (Communications Hill)	Public Works Department	\$30,000	
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This action increases the Security Services appropriation by \$30,000, from \$100,000 to \$130,000, to fund increased costs for security contract services at Communications Hill. Security contract services are needed to patrol the neighborhood due to highly visited exercise attraction. The City of San José and vendor recently negotiated a 17% increase to the next contract that is set to start April 1, 2024. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.

### Community Facilities District No. 8 (Communications Hill) Fund (373)

	<b>\$0</b>	<b>\$0</b>
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## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Convention Center Facilities District Revenue Fund (791)</b>			
Transfer to Convention Center Facilities District Capital Fund	Finance Department	\$1,659,000	
<p>This action increases the transfer to the Convention Center Facilities District Capital Fund by \$1.7 million, from \$350,000 to \$2.0 million, to support emergent capital improvement projects at the San José McEnery Convention Center that address immediate equipment and system deficiencies, as well as client-focused enhancements to support food and beverage operations and other potential revenue generation. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment	Finance Department	(\$1,659,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
		<b>\$0</b>	<b>\$0</b>

### **Downtown Property And Business Improvement District Fund (302)**

Ending Fund Balance Adjustment	Transportation Department	(\$10,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
Personal Services (Downtown Property and Business Improvement District)	Public Works Department	\$10,000	
<p>This action increases the Public Works Department's Personal Services appropriation by \$10,000 to fund additional staff time supporting the increasing active Downtown Business Improvement District. A city staff member attends every Downtown Association meeting where members discuss upcoming events, activities, and issues revolving the downtown area. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
		<b>\$0</b>	<b>\$0</b>

# Special Funds Recommended Budget Adjustments Summary

## 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Emergency Reserve Fund (406)</b>			
Revenue from Federal Government (Emergency Rental Assistance)	Finance Department		\$4,220,793
<p>This action increases the estimate for Revenue from Federal Government by \$4.22 million to reflect the residual balance of funding from the first tranche of Emergency Rental Assistance grant funds awarded to the City in 2020-2021 but not recognized as earned revenue due to the timing of program expenditures. A total of \$30.4 million was awarded to the City to support rental assistance initiatives in response to the impacts of the COVID-19 pandemic, of which \$26.16 million was recognized in 2021-2022 when the corresponding funds were expended. An additional \$1.0 million was expended in 2022-2023 prior to the final expenditure deadline of December 31, 2022; however, corresponding revenues were not recognized as earned in 2022-2023. Recognizing this \$4.22 million from the balance of advanced funding will support these eligible expenditures in 2022-2023, as well as the remaining \$3.22 million balance that was not expended prior to December 2022 and must be refunded to the U.S. Department of the Treasury in 2023-2024. A corresponding action to reestablish the Emergency Rental Assistance appropriation is recommended to effect this refund, with any remaining balance subject to the reconciliation of fund activity for 2023-2024.</p>			
Emergency Rental Assistance	Housing Department	\$4,220,793	
<p>This action reestablishes the Emergency Rental Assistance appropriation in the amount of \$4.22 million to reflect the residual balance of funding from the first tranche of Emergency Rental Assistance grant funds awarded to the City in 2020-2021 and not expended prior to the final expenditure deadline of December 31, 2022. Of the \$30.4 million awarded to the City to support rental assistance initiatives in response to the impacts of the COVID-19 pandemic, a total of \$27.16 million was expended during 2021-2022 and 2022-2023. However, \$3.22 million was not expended prior to December 2022, which must be refunded to the U.S. Department of the Treasury in 2023-2024. A corresponding action to recognize the remaining balance of advanced grant funding is recommended to support this refund, with any remainder of budgeted funds subject to the reconciliation of fund activity for 2023-2024.</p>			
		<b>\$4,220,793</b>	<b>\$4,220,793</b>
<b>Emergency Reserve Fund (406)</b>			



## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Fire Development Fee Program Fund (240)</b>			
Fire Development Fee Program – Non-Personal/Equipment (Professional and Consultant Services)	Fire Department	\$28,800	
<p>This action increases the Fire Development Fee Program – Non-Personal/Equipment appropriation by \$28,800 for professional and consultant services related to workplace safety. This allocation was inadvertently assigned to the incorrect appropriation during the development of the 2023-2024 Adopted Budget, with partial corrective action taken as part of the 2022-2023 Annual Report. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Fire Department	(\$28,800)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
		<b>\$0</b>	<b>\$0</b>
<b>Fire Development Fee Program Fund (240)</b>			
<b>General Purpose Parking Fund (533)</b>			
Non-Personal/Equipment (Security Services)	Transportation Department	\$284,500	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$284,500 to fund increased security costs. The Good Guard Security contract, executed in April 2023, increased contractual services costs by 39.64% due to higher costs to maintain current services. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Transportation Department	(\$284,500)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
		<b>\$0</b>	<b>\$0</b>
<b>General Purpose Parking Fund (533)</b>			

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Gift Trust Fund (139)</b>			
Library-General Gifts/Other Revenue	Library Department	\$29,251	\$29,251
<p>This action increases the Library-General Gifts appropriation by \$29,251, from \$502,428 to \$531,679, and a corresponding increase to the estimate for Other Revenue to recognize a variety of small value gifts received by the Library Department between July and December 2023. These gifts represent limited-scope funding to provide programming and support at Library facilities.</p>			
<b>Gift Trust Fund (139)</b>		<b>\$29,251</b>	<b>\$29,251</b>
<b>Homeless Housing, Assistance, and Prevention Fund (454)</b>			
Revenue from State of California (Homeless Housing, Assistance, and Prevention Grants)	Housing Department		\$7,000,000
<p>This action increases the estimate for Revenue from State of California by \$7.0 million, from \$47.9 million to \$54.9 million, to recognize revenue from Round 4 of the State's Homeless Housing, Assistance and Prevention (HHAP) grant. HHAP Round 4 is a grant that provides local jurisdictions with flexible funding to continue efforts to end and prevent homelessness in their communities. Use of the HHAP funding was requested as part of a City Council action approved on December 12, 2023 to support expansion of the Rue Ferrari emergency interim housing site. However, language that specifically directed amendments to the 2023-2024 Funding Sources Resolution was inadvertently omitted from the official City Council action. This action corrects the oversight and is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Housing Department	\$7,000,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this report.</p>			
<b>Homeless Housing, Assistance, and Prevention Fund (454)</b>		<b>\$7,000,000</b>	<b>\$7,000,000</b>

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Integrated Waste Management Fund (423)</b>			
Banking Services	Finance Department	\$115,000	
<p>This action increases the Banking Services appropriation by \$115,000, from \$95,000 to \$210,000, due to higher than anticipated volume of service fees. These fees are based on the number of transactions processed by the City in-person or via online payment system for utility services. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Personal Services (Overage)	Office of the City Attorney	\$160,000	
<p>This action increases the Office of the City Attorney's Personal Services appropriation by \$160,000 to align funding levels with higher than anticipated staff workload in support of activities funded by the Integrated Waste Management Fund. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Environmental Services Department	(\$275,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
		<b>\$0</b>	<b>\$0</b>
<b>Integrated Waste Management Fund (423)</b>			

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Multi-Source Housing Fund (448)</b>			
Project HomeKey	Housing Department	(\$444,887)	
<p>This action eliminates the Project HomeKey appropriation of \$444,887 as the balance of the Project HomeKey grant was previously spent. These funds were used to purchase the former Sure Stay Best Western hotel located at 1488 North First Street and support the operations of the facility to serve extremely low income individuals and families. This action is offset by a corresponding increase to the Ending Fund Balance as recommended in this report.</p>			
HOPWA Grants/Revenue from Federal Government	Housing Department	\$1,797,713	\$1,797,713
<p>This action increases the HOPWA Grants appropriation and corresponding estimate for Revenue from Federal Government by \$1.8 million. Annually, the City of San José receives funds from the U.S. Department of Housing and Urban Development (HUD) to administer the Housing Opportunities for Persons with AIDS (HOPWA) program. The program is exclusively dedicated to the housing needs of people living with HIV / AIDS. This adjustment reflects the latest annual entitlement.</p>			
HOPWA-PSH 2024/Revenue from Federal Government	Housing Department	\$1,325,991	\$1,325,991
<p>This action establishes the HOPWA-PSH 2024 appropriation and increases the corresponding estimate for Revenue from Federal Government by \$1.3 million. The Housing Opportunities for Persons with AIDS - Permanent Support Housing (HOPWA-PSH) is a competitive grant for three years. This adjustment reflects award of a new round of grant funding covering the next three years. The HOPWA - PSH program supports specialized models in outreach in service delivery, including efforts that target help to persons who have been homeless or are at extreme risk of becoming homeless.</p>			
Ending Fund Balance Adjustment	Housing Department	(\$731,611)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Revenue from Federal Government (HOPWA PSH)	Housing Department		(\$1,176,498)
<p>This action decreases the estimate for Revenue from Federal Government by \$1.2 million, from \$2.8 million to \$1.6 million, to align the revenue budget with the remaining funds available in the last Housing Opportunities for Persons with AIDS (HOPWA) Permanent Supportive Housing three-year competitive grant. This action is offset by other actions in this report, including a decrease to the Ending Fund Balance.</p>			
<b>Multi-Source Housing Fund (448)</b>		<b>\$1,947,206</b>	<b>\$1,947,206</b>

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### Planning Development Fee Program Fund (238)

Personal Services (Overage)	Office of the City Attorney	\$85,000	
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This action increases the Office of the City Attorney's Personal Services appropriation by \$85,000 to align funding levels with higher than anticipated staff workload in support of activities funded by the Planning Development Fee Program Fund. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Ending Fund Balance Adjustment	Planning, Building and Code Enforcement Department	(\$85,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

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### Planning Development Fee Program Fund (238)

	<b>\$0</b>	<b>\$0</b>
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### Public Works Development Fee Program Fund (241)

Public Works Development Fee Program – Non-Personal/Equipment (Vehicles)	Public Works Department	\$100,000	
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This action increases the Public Works Development Fee Program – Non-Personal/Equipment appropriation by \$100,000 to fund backordered electric vehicles. The electric vehicles will support inspection and field services activities within Public Works Development Fee Program and Small Cell Permitting Fee. The orders for the electric vehicles were placed in 2021-2022 but were delayed due to supply chain issues. The Department received the vehicles in September 2023. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.

Ending Fund Balance Adjustment	Public Works Department	(\$100,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

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### Public Works Development Fee Program Fund (241)

	<b>\$0</b>	<b>\$0</b>
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# Special Funds Recommended Budget Adjustments Summary

## 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Public Works Program Support Fund (150)</b>			
Transfers and Reimbursements (Capital Program Support and Compensated Absences)	Public Works Department		\$2,106,000
<p>This action increases the revenue estimate for Transfers and Reimbursements by \$2.1 million, from \$23.4 million to \$25.5 million, to recognize an increase to Compensated Absences (\$780,000) and Capital Program Support (\$1.3 million) to appropriately reimburse work provided by the Public Works Department staff facilitating capital project delivery. Compensated Absences fund employee time off pay, such as sick, holiday, vacation, and jury duty for positions funded in Capital Funds. Positions charge their active time to their respective project budgets and charge their time off pay to Public Works Program Support Fund. Capital Program Support provides personal services and non-personal/equipment expenses that provide support to the City's Capital Funds. A corresponding increase to Capital Program and Public Works Department Support Service Costs appropriations in the respective Capital Funds is recommended elsewhere in this report to fund this action. A corresponding increase to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Non-Personal/Equipment (Contractual Labor and Capital Project Management System)	Public Works Department	\$150,000	
<p>This action increases the Public Works Department's Non-Personal/Equipment appropriation by \$150,000 to fund contractual staffing services and annual user license fees for the Capital Project Management System (CPMS). CPMS is an intuitive, user-friendly, and comprehensive project management portal which is referred to as "CPMS-NextGen." The upgraded system consists of 3 modules – costs, project life cycle, and file management – each of which includes two to four sub-modules. Features include detailed reports using data from systems such as Financial Management System (FMS) and Oracle PeopleSoft, real-time dashboards, and a cost estimating module known as Resource Planning and Management (RPM) to project staffing needs, manage resource allocation, and to track project performances by comparing updated expenditures to the budget. The system is currently in the last phase of implementation and is expected to go live in June 2024. The funding will be used to cover the software costs and complete the upgrade due to cost escalations and user licenses fees and will ensure that the project stays on schedule. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment	Public Works Department	\$1,956,000	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
<b>Public Works Program Support Fund (150)</b>		<b>\$2,106,000</b>	<b>\$2,106,000</b>



## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>San José Clean Energy Operating Fund (501)</b>			
Disadvantaged Communities - Green Tariff Program/Revenue from State of California	Energy Department	\$74,073	\$74,073
<p>This action increases the Disadvantaged Communities - Green Tariff appropriation and corresponding estimate for Revenue from State of California by \$74,073, from \$798,029 to \$872,102, to reflect an additional grant allocation awarded from the State. The Disadvantaged Communities - Green Tariff program provides residential customers living in disadvantaged communities (DAC) a 20% discount on their electricity bills. Customers receive 100% solar electricity. The program is available to SJCE residential customers who live in DAC and are enrolled in the California Alternate Rates for Energy program (CARE) or the Family Electric Rates Assistance program (FERA).</p>			
<b>San José Clean Energy Operating Fund (501)</b>		<b>\$74,073</b>	<b>\$74,073</b>

# Special Funds Recommended Budget Adjustments Summary

## 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### San José Opioid Response Fund (130)

Community Awareness and Education on Opioid Addiction Prevention	Office of the City Manager	\$120,000	
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This action establishes the Community Awareness and Education on Opioid Addiction Prevention appropriation to the City Manager's Office in the amount of \$120,000. Of this amount, \$100,000 will allow for the purchase of Naloxone (Narcan) and to train City staff and community members on its use. Naloxone is a life-saving medication used to reverse an overdose by blocking the effects of opioids. The funds will support programs educating and training staff and community members on opioid addiction prevention/ drug abuse intervention and the use of Naloxone. The remaining \$20,000 will support the Santa Clara County Opioid Campaign Plan by translating resource materials and providing interpretative services at the trainings. This action is offset by Revenue from the State of California recommended elsewhere in this report.

Revenue from State of California (Opioid Distributors Payment - Abatement Fund)	Parks, Recreation and Neighborhood Services Department		\$475,000
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This action establishes an estimate for Revenue from the State of California of \$475,000 for the City's portion of the settlement funds received from opioid distributors per the National Opioid Settlement. California joined multiple national lawsuits against manufacturers, distributors, and other entities responsible for aiding the opioid epidemic. The Abatement Fund was created to provide funding to local cities and counties for abatement of the opioid crisis in California. Corresponding actions to establish funding for opioid prevention, response, and remediation activities are recommended elsewhere in this report.

Revenue from State of California (Opioid Janssen Payment - Abatement Fund)	Parks, Recreation and Neighborhood Services Department		\$294,000
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This action establishes an estimate for Revenue from the State of California of \$294,000 for the City's portion of the settlement funds received from Janssen Pharmaceuticals per the National Opioid Settlement. California joined multiple national lawsuits against manufacturers, distributors, and other entities responsible for aiding the opioid epidemic. The Abatement Fund was created to provide funding to local cities and counties for abatement of the opioid crisis in California. Corresponding actions to establish funding for opioid prevention, response, and remediation activities are recommended in this report.



# Special Funds Recommended Budget Adjustments Summary

## 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
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### San José Opioid Response Fund (130)

Opioid Settlement Program Oversight	Office of the City Manager	\$60,000	
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This action establishes the Opioid Settlement Program Oversight appropriation to the City Manager's Office in the amount of \$60,000 to provide funding to reallocate a portion of an existing Assistant to the City Manager position to coordinate and oversee the City's use of the opioid settlement funds for the remainder of 2023-2024. This position will work closely with City departments to develop, scope, and implement programs that utilize the funding for opioid remediation activities, as well as organize stakeholder engagement activities and prepare annual expenditure reports regarding the use of opioid settlement funds to California's Department of Health Care Services. This action is offset by Revenue from the State of California recommended elsewhere in this report.

Opioid Prevention Grant Program	Parks, Recreation and Neighborhood Services Department	\$475,000	
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This action establishes the Opioid Prevention Grant Program appropriation to the Parks, Recreation, and Neighborhood Services Department in the amount of \$475,000. The program will award \$350,000 to approximately six non-profit partners to provide services that will discourage or prevent misuse of opioids and reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies. In addition, \$50,000 will fund capacity building or community of learning that promotes new learning toward continuous improvement within BEST providers, including Opioid Overdose Prevention providers. Funding of \$75,000 will provide temporary staffing to oversee the Opioid Overdose Prevention Grant Program, as well as planning and coordinating trainings and workshops. This action is offset by Revenue from the State of California recommended elsewhere in this report.

Library Staff Training	Library Department	\$25,000	
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This action establishes the Library Staff Training appropriation to the Library Department in the amount of \$25,000, which will fund First Aid/AED/CPR training with an option to opt-in for voluntary Naloxone training for Library staff. This action provides training opportunities for employees who frequently work with members of the public around public safety relating to basic First Aid, CPR, and emergency response to overdoses, including Naloxone administration. These training opportunities provide support for community efforts around prevention and reduction of opioid overdose-related deaths. This action is offset by Revenue from the State of California recommended elsewhere in this report.

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>San José Opioid Response Fund (130)</b>			
Community Awareness and Education on Opioid Addiction Prevention – Fire Department	Fire Department	\$29,000	
<p>This action establishes the Community Awareness and Education on Opioid Addiction Prevention – Fire Department in the amount of \$29,000 to provide temporary staffing in the Fire Department to create and disseminate public education materials related to the mitigation of opioid misuse, drug disposal, Good Samaritan laws, and treatment services. Staff will create an education outreach plan to work with schools and youth-based organizations to be implemented for the school year 2024-2025. This action is offset by Revenue from the State of California recommended elsewhere in this report.</p>			
Community Awareness and Education on Opioid Addiction Prevention – Police Department	Police Department	\$60,000	
<p>This action establishes the Community Awareness and Education on Opioid Addiction Prevention – Police Department in the amount of \$60,000 to provide overtime funding (\$50,000) and associated non-personal/equipment funding (\$10,000) to the San José Police Department (SJPD) to conduct comprehensive education and training sessions for residents in English, Spanish, and Vietnamese, focusing on the prevention and intervention of opioid-related issues. The training will also include the proper use of Naloxone. Classes will be scheduled based on requests and strategic locations. Outreach efforts will be targeted at high-impact areas, as identified by our Crime Analysis Unit statistics indicating frequent opioid overdoses. Potential sites for these sessions include community centers, schools, libraries, and places of worship. SJPD will provide at least two classes per week, for a total of eight classes per month. This action is offset by Revenue from the State of California recommended elsewhere in this report.</p>			
<b>San José Opioid Response Fund (130)</b>		<b>\$769,000</b>	<b>\$769,000</b>

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>San José-Santa Clara Treatment Plant Operating Fund (513)</b>			
Personal Services (Overage)	Office of the City Attorney	\$130,000	
<p>This action increases the Office of the City Attorney's Personal Services appropriation by \$130,000 to align funding levels with higher than anticipated staff workload in support of activities funded by the San José-Santa Clara Treatment Plant Operating Fund. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Environmental Services Department	(\$130,000)	
<p>This action decreases the Ending Fund Balance to offset an action recommended in this report.</p>			
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<b>San José-Santa Clara Treatment Plant Operating Fund (513)</b>		<b>\$0</b>	<b>\$0</b>

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Sewer Service And Use Charge Fund (541)</b>			
Workers' Compensation Claims	Environmental Services Department	\$75,000	
<p>This action increases the Workers' Compensation Claims appropriation in the Sewer Service and Use Charge Fund by \$75,000, from \$204,000 to \$279,000, to reflect higher than anticipated settlement and regular claim activity for 2023-2024. A corresponding decrease to the Ending Fund Balance offsets this action.</p>			
Non-Personal/Equipment (Training)	Transportation Department	\$45,000	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$45,000 to fund training costs. The Pipeline Assessment Certification Program (PACP) must be completed by sewer maintenance employees who inspect wastewater pipes once every three to four years, upon expiration. The current cost per person is \$1,075, with 70 employees expected to renew their certification during 2023-2024, bringing the training cost to \$75,000. The department has allocated a budget of \$30,000 for PACP, resulting in a funding gap of \$45,000. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Non-Personal/Equipment (Vehicle Replacements)	Transportation Department	\$250,000	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$250,000 to fund increased costs to replace vehicles. The cost to replace two combination sewer cleaning trucks, one Ford F450 truck, and a Video Van has increased in price due to continuing supply chain issues and the addition of safety and operational components for the vehicles. 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 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Sewer Service And Use Charge Fund (541)</b>			
Non-Personal/Equipment (Equipment Rental)	Transportation Department	\$300,000	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$300,000 to fund increased costs for vehicle rentals. Due to inflationary pressures and the need to rent more vehicles, the cost for vehicle rentals has increased, and the department can no longer absorb continually increasing costs in the existing budget. The additional funding will support the rental of two combination sewer cleaning trucks which are needed to maintain service levels in place of vehicles that are inoperable due to maintenance issues. Replacement vehicles have been requested, but, due to supply chain issues and delays in manufacturing, the department has had to rely on vehicle rentals. The ongoing costs will be incorporated into the development of the 2024-2025 Base Budget. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this report.</p>			
Ending Fund Balance Adjustment	Environmental Services Department	(\$670,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
<b>Sewer Service And Use Charge Fund (541)</b>		<b>\$0</b>	<b>\$0</b>

## Special Funds Recommended Budget Adjustments Summary 2023-2024 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Storm Sewer Operating Fund (446)</b>			
Personal Services (Overage)	Office of the City Attorney	\$170,000	
This action increases the Office of the City Attorney's Personal Services appropriation by \$170,000 to align funding levels with higher than anticipated staff workload in support of activities funded by the Storm Sewer Operating Fund. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			
Workers' Compensation Claims	Environmental Services Department	\$25,000	
This action increases the Workers' Compensation Claims appropriation in the Storm Water Operating Fund by \$25,000, from \$100,000 to \$125,000, to reflect higher than anticipated settlement and regular claim activity for 2023-2024. A corresponding decrease to the Ending Fund Balance offsets this action.			
Ending Fund Balance Adjustment	Environmental Services Department	(\$195,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.			
		\$0	\$0
<b>Storm Sewer Operating Fund (446)</b>			
		<b>\$0</b>	<b>\$0</b>
<b>Water Utility Fund (515)</b>			
Banking Services	Finance Department	\$95,000	
This action increases the Banking Services appropriation by \$95,000, from \$247,688 to \$342,688, due to higher than anticipated volume of service fees. These fees are based on the number of transactions processed by the City in-person or via online payment system for utility services. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			
Ending Fund Balance Adjustment	Environmental Services Department	(\$95,000)	
This action decreases the Ending Fund Balance to offset an action recommended in this report.			
		\$0	\$0
		<b>\$0</b>	<b>\$0</b>